GOVERNMENT OF INDIA
MINISTRY OF FINANCE
BUDGET FOR 1963-64

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SPEECH OF SARDAR SWARAN SINGH, INTRODUCING THE RAILWAY BUDGET FOR 1963-64, ON 19TH FEBRUARY, 1963.

MR. SPEAKER,

Sir, I rise to present the Budget for Indian Government Railways for the financial year 1963-64. In doing so, I would also invite the attention of Honourable Members to certain broad results of the Railways' administration and performance.

ACCOUNTS OF 1961-62

2. As usual, I shall first report the financial results of the Indian Railways for the last completed year. The Gross Traffic Receipts for 1961-62 amounted to Rs. 500.50 crores—approximating closely to the Revised Estimate of Rs. 501.24 crores. The total Ordinary Working Expenses were Rs. 325.33 crores, effecting a saving of Rs. 5.06 crores from the Revised Estimate of Rs. 330.39 crores. The other items featuring in the financial picture are, as usual, the annual appropriation, from Revenue, to Depreciation Reserve Fund, net miscellaneous expenditure, and payments to General Revenues. The first and the last of the aforesaid three items were at the enhanced annual amounts determined for the Third Plan period, on the recommendations of the Railway Convention Committee, 1960. In the result, the net railway surplus, for credit to the Development Fund, came to Rs. 24.40 crores, against the Revised Estimate figure of Rs. 16.48 crores.

It should be remembered that the Development Fund, which is fed from the annual railway surpluses, has to finance works chargeable to the Fund, to the extent of Rs. 23 crores annually, on the average, over the Third Plan period. This is on present reckoning, though the indication is that the average annual expenditure may ultimately exceed this amount. In relation to this requirement, the surplus of Rs. 24.40 crores achieved in 1961-62—the first year of the Third Plan—is just adequate. If this relationship between the annual surplus and the requirement of the Development Fund is not maintained, the Railways would be obliged to take temporary loans from General Revenues, for financing the Railway Development Fund, as was done in certain years of the Second Plan period; this certainly would not be desirable. The satisfactory feature to be mentioned, however, is that the surplus of Rs. 24.40 crores was achieved notwithstanding the largely increased commitments of the Railways in 1961-62, as compared to 1960-61; these include commitments arising out of the current 'Railway Convention', which governs the financial arrangements of the Railways in the quinquennial period 1961—66.

REVISED ESTIMATES FOR 1962-63

3. Turning now to the current year, the Revised Estimate of Gross Traffic Receipts has been placed at Rs. 549.62 crores, or Rs. 4.26 crores more than the budget. The increase is mainly under 'Other Coaching Earnings' and 'Sundries', and to a smaller extent under 'Passengers'. The budget anticipation of goods earnings is expected to be fully realised. Under net Ordinary Working Expenses, the Revised Estimate shows an

increase, over the budget, of Rs. 6·34 crores. This inrease includes inescapable additional operational and other expenses devolving on the Railways, including those resulting from the Emergency. This apart, there has also been the effect of post-budgetary increases in the price of coal, as well as the financial effect of post-budget decisions in regard to certain subsidiary recommendations of the Second Pay Commission. Payment of night-duty allowance, weekly paid rest to casual labour, and crediting of Government contribution to the provident fund accounts of certain temporary employees which corresponds to the benefit of counting temporary service, followed by confirmation, in full for pension, are amongst the more significant post-budget decisions. After making the contribution to Depreciation Reserve Fund of Rs. 67 crores—in accordance with the yearwise depreciation provision in the Third Plan, as recommended by the Railway Convention Committee, 1960 (against Rs. 65 crores in 1961-62)—and allowing for savings under Miscellaneous Expenditure and payments to General Revenues, a surplus—creditable to Development Fund—of Rs. 23.20 crores, is now envisaged.

It is gratifying that a net surplus approximating to what was originally budgeted (Rs. 23.22 crores), is expected to be maintained, in spite of certain unavoidable additional expenditure as already mentioned. To secure funds to meet these additional revenue working expenses, Supplementary Demands have been framed, further to those presented to, and voted by, Parliament, in November, 1962. As for the railway surplus, it has to be not only sufficient to maintain the solvency of the Development Fund, but has to increase from year to year with the increasing investments. This is obviously necessary if the Railways are to maintain a reasonably satisfactory return on the large total investments and also meet likely future increases in expenditure chargeable to Development Fund. The average Capital-at-charge of the Railways in the Third Plan period will be of the order of Rs. 2,000 crores, against an average Capital-at-charge of about Rs. 900 crores in the First Plan period. The average annual expenditure chargeable to the Development Fund, which is built up solely from the annual railway surplus, has also more than doubled. In view of this, against an annual railway surplus of Rs. 15 crores which might have been sufficient in the First Plan, the Railways have to earn an average annual surplus of at least Rs. 30 crores in the Third Plan period.

4. The Revised Estimate of *net* expenditure for the current year, on Works, Plant and Machinery, and Rolling Stock, has been placed at Rs. 307.74 crores. This revised 'Capital Budget' involves an increase of Rs. 12.74 crores over the Budget provision of Rs. 295 crores which itself, as I mentioned when presenting the Railway Budget in April, 1962, was the highest until then. The additional provision, which is covered by Supplementary Demands, is to meet the requirements, according to present anticipations, in regard to somewhat better deliveries of materials and improved progress of Plan works.

DEVELOPMENT OF RAIL CAPACITY—THIRD PLAN TARGETS

5. It was envisaged in the White Paper on the Railway Budget for 1962-63 that the revised rail transport targets would materially exceed the original estimate of 245 million originating tons which had been included in the Third Plan as formulated in 1961. The cost of the Railway Development Programme had been fixed at Rs. 1,325 crores in relation to the aforesaid estimate. Since then, a more detailed picture in regard to the fieldwise production and directionwise movement of

coal has emerged. Allowing for the increase of about five million tons in the short-lead movements of raw coal to washeries and the revised pattern of coal traffic necessitating increased movement over certain routes and allowing also for certain preparatory work to be undertaken for a large movement of general goods, an additional outlay of Rs. 145 crores has been approved by the Planning Commission for the Railway expansion and development programme. The approved outlay of the Railways thus stands at the increased figure of Rs. 1,470 crores; the additional approved outlay of Rs. 145 crores has a foreign exchange content of Rs. 19 crores.

6. The additional provision is made up of Rs. 120 crores for increased coal movement and Rs. 25 crores towards the most urgent part of the requirements formulated by the Railways for increased general goods traffic in the Third Plan, as well as for the time-consuming preparatory measures to be initiated now for ensuring adequate capacity for coal traffic, in particular, in the early period of the Fourth Plan. The increased general goods traffic in the Third Plan envisaged by the Railways provides for an increase in originating traffic of miscellaneous goods (*i.e.* other than raw materials for, and finished products from, steel plants, coal, cement, and iron ore for export) of about 10 million tons, over the earlier provision of 98 million tons of such traffic included in the initial target of 245 million tons. Provision has been made for carrying out line capacity works required for this increased traffic; the provision of funds for the additional rolling stock required on this account, namely wagons and locomotives, will be considered later, though the Railways have been asked to tentatively proceed with the programming for the wagons. The advance action for Fourth Plan works, to be initiated in the Third Plan, covers a programme of 525 miles of doubling of track on trunk and other important routes, over which coal from the Bengal-Bihar and outlying fields will move to Western and Southern India; advance action is essential, as these facilities will take three to four years to construct before they are ready for commission in the early years of the Fourth Plan. Government have accepted this, and provision for commencement of these works has been made in the 1963-64 budget. I may recall that Supplementary Demands were presented to, and voted by, Parliament in August, 1962, to enable the Railways to make an immediate start on surveys for the aforesaid works, by way of preliminary measures for the needs of increased coal transport. In the aggregate, and including acquisition of rolling stock for Rs. 65 crores, funds for which it is hoped, will be allocated later, as already mentioned, the Railways are programming a Plan outlay of the order of Rs. 1,535 crores; this is to create capacity by the end of the current plan period for an originating traffic of 260 million tons per annum and to initiate advance action for the additional capacity for part of the increased coal movements during the early years of the Fourth Plan. The Railways' slightly increased Capital Budget, according to the Revised Estimates for the current year already referred to and the still larger Capital Budget for 1963-64, to which I shall refer presently, are in keeping with the increase in the Third Plan programme of the Railways.

TRANSPORT PERFORMANCE

7. Having given the financial results of the Railways in 1961-62—the first year of the Third Plan—and the forecast of the results for the current year (1962-63), I shall broadly review the transport performance of the Railways in these two years. Shri Jagjivan Ram, when presenting the

interim Railway Budget for 1962-63, in March 1962, referred to the shortfall in traffic from anticipations, in 1961-62, due to a variety of reasons. Later, in April 1962, when I reported the results of the year which had just ended, I explained to the House how the overall transport position was nevertheless better in 1961-62 than in the previous year. The daily average coal loading in 1961-62 was 5,999 wagons, as against 5,668 wagons in 1960-61. The daily average coal loading in Bengal and Bihar coalfields, went up from 4,481 in 1960-61 to 4,799 in 1961-62, or by 318 wagons per day, representing an increase of about 7 per cent. Steel Plants and Washeries received their full requirements of coal, and the Railways also moved in full all the coal offered from the outlying coalfields. For consumers other than the Steel Plants and Washeries, the Railways moved, from the Bengal and Bihar coalfields, an average of 182 additional wagons per day in 1961-62 over 1960-61.

8. There has been further significant improvement in the current year in the rail transport position generally and in coal movements particularly. During the ten-month period from April, 1962 to January, 1963, goods loading has registered an increase of about 13.2 million tons (or 13.42 million metric tons), over the loading during the same period of the previous year, and movement continues to be at a high rate. In the circumstances, there is every expectation of achieving an increase of 15 million tons of freight traffic by the end of the current year, over the previous year, which fully conforms to the anticipations when the Budget was framed. There would have been even a larger increase, if the rail transport requirements of the State Plants had come up fully to anticipations and the loadings on Sundays from all the coalfields had not been appreciably less than on the week days.

The aggregate loading on broad gauge in the first ten months of the current year has been a daily average of 20,296 wagons, as against 18,443 in the same period of 1961-62,—an increase of 10 per cent. On the metre gauge, 10,323 wagons have been loaded daily on the average, against 10,146 wagons in this period of the previous year; the tonnage loaded per metre gauge wagon has been higher by approximately five per cent.

There has also been a consistent improvement in the coal loadings from the Bengal-Bihar as well as from the outlying coalfields. The daily coal loading in the ten-month period of the current year has averaged 6,552 wagons, as against 5,976 wagons in the corresponding period of 1961-62—an increase of 9.6 per cent. The daily average loading in the Bengal and Bihar coalfields in this period has been of the order of 5,199 wagons, as against 4,781 wagons in the corresponding period of the previous year, representing an increase of 8.7 per cent. The requirements of coal for the Steel Plants and the Washeries continue to be met in full—averaging daily 1,222 wagons and 252 wagons respectively in the first ten months of this year, the average daily requirements for the Steel Plants and Washeries in the corresponding period of the previous year being 1,092 wagons and 109 wagons respectively. The Railways have also continued to move, in full, all the coal offered from the outlying coalfields. Movement to 'other consumers' from the Bengal and Bihar coalfields in this period of 1962-63 has been of the order of 3,725 wagons per day, as against a daily average of 3,580 wagons in the corresponding period of the preceding year. As more and more development works are executed and the rolling stock holdings are increased, the rate of increase will be stepped up progressively in the remaining years of the Third Plan.

9. There has been steady, all-round improvement in the current year

in operating efficiency, substantially in excess of the performance in 1961-62. The various operating results have been brought out in the latest "Review of the performance of the Indian Government Railways", which is being circulated with the Budget papers and which incorporates certain additional information not given in the Reviews of the three earlier years.

10. Movement of coal to destinations west of Moghalsarai has shown a further increase during the current year. On the average 1,986 wagons loaded with coal have been moved daily *via* Moghalsarai, during the period from April, 1962 to January, 1963, as compared to 1,891 coal wagons in the corresponding period of the previous year. The total make-over of wagons—coal as well as other freight traffic—by the Eastern Railway to Northern Railway at Moghalsarai, during this period, reached a daily average of 2,628 wagons, as against 2,448 wagons during the corresponding period of the last year.

11. It is significant that all this achievement in the transport of goods is additional to the emergency movements of men and materials, mostly in "Coaching Specials" for defence requirements which the Railways have been called upon to undertake, at very short notice, in the recent months. On the Northeast Frontier Railway, the additional transport performance, including that resulting from the Emergency, has been of the order of 65 per cent. over the normal transport. For obvious reasons, the Railways have not publicised the details of this large-scale effort, which was undertaken by the Railways with practically no interruptions to, or curtailment of, the normal passenger train services and the movements of civil supplies. I would take this opportunity of requesting the House to join me in congratulating railwaymen of all ranks, whose sustained efforts have resulted in this splendid performance. It is heartening that the rail transport position in general has eased considerably in the current year and that the Railways are able to meet practically all the requirements of the growing industrial complex as well as of the general consumers.

INCREASED RAIL TRANSPORT FACILITIES FOR ASSAM

12. The need for increased rail capacity for Assam has been receiving attention over the last few years. It may be recalled in this connection that, even before the present Emergency arose, a broad gauge line from Calcutta to Siliguri had been planned and constructed *via* Tildanga-Farakka-Khejuriaghat, with a ferry across the river Ganga, and onwards *via* Malda, involving construction of 191 kilometres (119.5 miles) of new broad gauge line and conversion of 80 kilometres (50 miles) of metre gauge line to broad gauge. Another line which had been planned was the extension of the Rangiya-Rangapara North metre gauge line to Murkong Selek. The Rangapara North-Lakhimpur portion of this new line, about 173 kilometres (107 miles) in length, was opened to traffic in June, 1962, after an initial short length had been opened in March, 1962. The further construction from Lakhimpur to Murkong Selek—161 kilometres (or about 100 miles), which involves construction in even more difficult terrain than the first portion, is in hand. A number of line capacity works had been planned, and carried out, on the main line between Katihar and Pandu and between Pandu and Tinsukia. Arrangements had also been made for procuring diesel electric locomotives for operation on the Katihar-Gauhati Section, with a view to further increasing the capacity. All these measures, including the putting into service of the

metre gauge diesel locomotives procured in 1961-62 and during the current year, proved extremely useful, particularly in the present Emergency, in effecting large scale movements.

The rail-*cum*-road bridge over the Brahmaputra river—the only major river in the country which had not been bridged previously—as the House is aware, had been taken up for construction towards the end of the Second Plan period. Special steps were taken to make the Bridge ready to take goods traffic two months ahead of schedule; this brought about a timely improvement in rail transport between the areas in Assam lying to the north and the south of the river.

The Northeast Frontier Railway handled effectively the heavy additional transport load, including that resulting from the large scale Emergency movements for defence purposes. The advantages expected when this Railway was set up as a separate Railway Administration, early in 1958, with its head-quarters in Assam, have been fully realised. It is significant that, while handling the large scale Emergency movements, the civilian goods movements in and out of Assam were also kept up. In fact, the Railway had to handle increased traffic of tea and jute, due to a prolonged suspension of booking by the transport services of the Joint Steamer Companies. In November and December 1962, the Railway booked about 5,000 wagons of jute and 300 wagons of tea, over and above what had been carried during the corresponding months of 1961.

Incidental also to improving the rail communications with Assam, the capacity of the wagon ferry at Farakka was augmented, to step up the rail movements from the broad gauge areas in South Bengal to the areas of North Bengal and Assam. The capacity of the ferry has been progressively increased, from 54 broad gauge wagons per day each way, prior to the Emergency, to the present figure of 162 broad gauge wagons per day each way, further increase will be effected as necessary and to the extent possible.

The terminal rail facilities at a number of points in Assam, and on the Northeast Frontier Railway generally, are being quickly increased, to deal with the increased movements. A large terminal yard recently constructed on the broad gauge near Siliguri, can now effectively handle not only the traffic carried on the broad, but also transhipment traffic to and from, the metre and the narrow gauges.

With a view to further increasing the line capacity, work has been taken up, for installing, on the Siliguri-Alipurduar Section, Centralised Traffic Control. This is a signalling scheme by which control and operation can be exercised from a central location over a long section, thus expediting train movements and increasing rail capacity. The extension of this scheme from Alipurduar to Amingaon is also under consideration, along with other measures for expanding rail capacity in Assam as may be required, which are receiving continuous attention.

BUDGET ESTIMATES, 1963-64

13. Turning now to the Estimates of the Budget year 1963-64, it will be appreciated that these will be materially affected by the present Emergency, the transport requirements in connection with which, of necessity, must be met quickly and fully. The Railway Plan, related as it is to a basic sector, is an integral part of national defence; the Railways are therefore required not only to sustain the tempo of development, but even to accelerate it. In other words, the Railways will have to be ready

to carry traffic for defence purposes, as may be required in the course of 1963-64, in addition to carrying the normal increased traffic anticipated in 1963-64 over 1962-63. In making arrangements for the increased transport effort, there will necessarily be additional expenditure under operation and maintenance; there will also be essential expenditure incidental to the Emergency, by way of keeping up adequate coal reserves with the Railways and organizing the minimum civil defence requirements, which include the raising of special battalions of the Railway Protection Force to intensify the safeguarding of railway track and railway installations in parts of Upper India. In organizing these arrangements, efforts will be directed to keep down additional expenditure to the utmost extent possible, in relation to the additional revenue that will be earned. This will be done through maximising the use of available resources, whether in man-power or equipment or productivity capacity. Various measures to conserve resources for the defence effort have, in fact, been initiated by the Railways in step with other departments of the Government. These measures include *inter alia* reduction in administrative overhead costs, strict control over contingent and travelling expenses, postponing routine maintenance of buildings, wherever the condition of the buildings permits such postponement, and limiting the construction of buildings to the most essential requirements and reducing building costs to strict austerity standards.

14. The additional operational and other revenue expenses that will have to be incurred, in order to carry the anticipated increase in traffic in 1963-64, and the revenue expenditure incidental to the impact of the Emergency on the Railways, will be met from the increased revenue that will accrue to the Railways from the increased traffic anticipated in 1963-64—carried at the rates and fares that are in force since July, 1962. The net revenue that will accrue, however, will have to be augmented, in order to provide additional resources to the General Revenues towards the defence effort; it is also necessary to ease, to the extent possible, the burden which has devolved on the General Exchequer at this time, of having to find increased resources for an expanded programme of railway development in the Third Plan. It is accordingly proposed, after consultation with my colleague, the Finance Minister, that the rate of dividend payable by the Railways to General Revenues be increased from 4·25 per cent. on the Railways' Capital-at-charge, as recommended by the Railway Convention Committee, 1960, to 4·5 per cent. for 1963-64 and for each of the later two years of the Third Plan. Arrangements beyond the Third Plan, in the natural course, will come within the purview of the next Railway Convention Committee that will be set up in 1965. This increase in the rate of dividend will secure the General Exchequer just over four crores of rupees, in 1963-64. An increase in the rate of dividend is justified in itself, considering that the annual borrowing rate of the Central Government has gone up from four per cent to 4.25 per cent. since the Railway Convention Committee, 1960, made their recommendations! the average rate of interest on Government loans has also gone up during this period, from 3·57 per cent. to 3·77 per cent. Quite apart from any such justification, the Railways by far the largest and oldest undertaking, should make a direct additional contribution to the General Exchequer, at a time when there is such need to raise additional resources for the defence effort.

15. In addition to raising the aforesaid additional revenue of about rupees four crores, to meet the increased contribution to the General Exchequer, I propose also to raise a further sum of fifteen crores of rupees

as additional revenue in 1963-64, which—as I shall explain presently—is required to strengthen the Railway Depreciation Reserve Fund and the Railway Development Fund. Fortunately, while taking such necessary action directly in the interests of the Railways themselves, it will also be possible to assist in some measure in serving the national purpose. The increased balances in these Funds will not be needed for the Railways' own immediate requirements in 1963-64, and to that extent they will remain with the General Exchequer—the Railways' banker—and will be available towards easing the overall ways and means position of the Government.

16. I may recall the discussions in Parliament when the report of the Railway Convention Committee, 1960, was debated in December, 1960. One section in both the Houses expressed the view that even the enhanced depreciation provision, as recommended by the Convention Committee, of an average annual amount of Rs. 70 crores in the Third Plan period (stepped up year-wise from Rs. 65 crores in 1961-62, to Rs. 75 crores in 1965-66) might prove inadequate. The Convention Committee, 1960, it may be explained, had recommended a provision just about sufficient to cover the estimated expenditure on replacements foreseen to be necessary in the Third Plan period; but, as explained in page 9 of the White Paper on the Railway Budget for 1962-63, this provision, on a long-term view, would not be adequate and would have to be augmented as railway revenues permit. There is still a good deal of leeway to be made up in overdue renewals of rolling stock and other assets acquired several decades ago; also, progressive modernization of railway equipment may necessitate some replacements before the expiry of the normally accepted lives of assets, thus requiring additional provision to cover obsolescence. The Railway Freight Structure Enquiry Committee, 1957, examined this matter specifically, and concluded that, even in the Second Plan period, the year-wise depreciation provision should increase from Rs. 52 crores to Rs. 66 crores, if the Railway revenues found it possible, instead of leaving the annual provision at Rs. 45 crores. It is necessary to remember that the average annual provision of Rs. 70 crores for Depreciation in the Third Plan period cannot be viewed merely in relation to the average Capital-at-charge of about Rs. 2,000 crores in this period; the Depreciation Reserve Fund has also to bear the cost of assets originally financed otherwise than from Capital, for instance, from Development Fund. The Depreciation Reserve Fund has to provide at any time for the full replacement cost, at present day high prices, of assets which are due to be replaced, in addition to having amounts calculated up-to-date for accrued depreciation in respect of other assets to be retired and replaced in later years. The Fund is thus in effect a combined Depreciation and Renewal Reserve Fund. Having regard to all these considerations, I propose to make an additional provision, from Revenue, of ten crores of rupees for appropriation to the Depriciation Reserve Fund in 1963-64 and in each of the subsequent two years of the Third Plan period. According to the present year-wise depriciation provision, the Depreciation Reserve Fund will have a net accretion of barely rupees twelve crores at the end of the first three years of the Third Plan period, after allowing for the outgoings, that is, after meeting the cost of replacements chargeable to this Fund. This would be too slight an addition to the already small balance of about Rs. 20 crores left in the Railway Depreciation Reserve Fund at the commencement of the Third Plan period, against a sizeable balance of Rs. 103 crores at the beginning of the Second Plan. An additional accretion of ten crores of rupees would therefore be a very desirable strengthening of the Fund. There was a similar occasion when the provision

for depreciation was increased to Rs. 45 crores per year, through the Revised Budget proposals of 1955-56, as against an annual provision of Rs. 35 crores recommended by the Railway Convention Committee, 1954.

17. It is intended that the balance, out of the additional revenue of Rs. 19 crores proposed to be raised in 1963-64, after making the additional direct contribution to the General Exchequer of about rupees four crores and additional depreciation provision of ten crores of rupees, should be left as additional net surplus of rupees five crores at the credit of the Railway Development Fund. As the House is aware, this Fund, which is built up solely from the annual railway surplus, is designed to meet the cost of works for providing amenities to passengers and other railway users, the cost of staff welfare works estimated to cost individually more than Rs. 25,000, as well as operating improvements found necessary from time to time which cannot be regarded as being directly remunerative, such as improvements in signalling and train controlling equipments and other safety measures. The balance in this Fund got so completely depleted, in the Second Plan period, that it became necessary to take temporary loans from General Revenues in the three years 1958 to 1961, aggregating to nearly Rs. 30 crores, by availing of the provision, in the 1954 Railway Convention Committee's recommendations, for taking such loans, when necessary. The effective balance left in this Fund, at the commencement of the Third Plan period, was about Rs. 6·9 crores, even after the *ad hoc* transfer of certain expenditure from Development Fund to Capital and the repayment of loans from General Revenues, on the recommendations of the Railway Convention Committee, 1960. The balance is expected to be only about Rs. 10·7 crores at the end of the current year (1962-63). It is obvious that the Fund will have to be strengthened gradually and have some accumulation as one cannot rightly proceed merely on the expectation that the railway surplus from year to year, creditable to the Fund, would somehow balance the outgoings, that is, meet the expenditure on works chargeable to the Fund in each year. During the Second Plan period, the requirement to meet expenditure debitable to the Development Fund so substantially exceeded the surpluses available, that the Development Fund was reduced to a large minus balance, necessitating the loans of nearly thirty crores as already mentioned. To the extent possible, the Railways have to guard and provide against such a contingency.

18. To sum up, the additional revenue which the Railways have to raise in 1963-64 will have to be of the order of Rs. 19 crores. After making additional contribution to General Revenues of a little more than rupees four crores by way of increase in the rate of dividend, there will be a balance of about Rs. 15 crores left as 'savings' in the Railways' two Funds, namely, ten crores of rupees in the Depreciation Reserve Fund and about rupees five crores in the Development Fund. Besides serving the long-term purpose of strengthening the Railways' Funds, which is so essential, the savings will provide immediately additional resources for the General Finance.

The proposals for increasing the contribution to General Revenues, by increasing the rate of dividend, and for increasing the depreciation provision, are covered by two separate Demands for Grants for 1963-64.

19. I shall confine my proposals for raising additional revenue, in 1963-64, to the requirements of additional finance which I have explained, namely, about Rs. 19 crores. There will be no change in the passenger fares in any category. In respect of goods freight rates, I propose to

increase the present surcharge by five per cent which will mean, in cases where a five per cent, surcharge already operates since the 1st April, 1960, an effective increase of 4·75 per cent. in freight rates; in other cases, which are exempt from the present surcharge, the increase will be five per cent. The Defence and the Posts & Telegraphs traffic are governed by separate tariffs for rail transport, which are revised periodically, and so this levy will not apply to them. Nor is it considered necessary to apply the surcharge to the Railways' own traffic, as this would merely involve mutually cancelling adjustments in the Railway's accounts.

I may recall at this stage that the Railway Freight Structure Enquiry Committee, 1957, after considering all relevant aspects, including the scope for increased efficiency and economy on the Railways, made proposals for increased freight rates representing increased revenue yield averaging about 13 per cent. of the goods earnings at the then existing rates. But the Government did not go as far as this recommendation; the increase in goods freight rates, initially adopted from the 1st October, 1958, was limited to an overall average of about four per cent. Subsequent adjustments in freight rates have also been limited to actual requirements for additional funds from time to time. Even with the last increase in freight rates effected from the 1st July, 1962, we have just about reached the limit of the total average increase in goods freight rates of 15 per cent. recommended by the Railway Freight Structure Enquiry Committee as far back as April, 1957. At that time, the heavy additional commitments which would devolve on the Railways in the next five or six years, could not have been foreseen. The Committee made their assessment of an overall average increase in freight rates by about 13 per cent., largely with reference to the figures for 1955-56, except that they took note of the substantial increase in the price of coal in 1956-57. Even since 1956-57, the *per capita* cost of staff has increased by over 30 per cent., while the pit-head price of coal has increased in the same period by about 27 per cent. Staff costs constitute a little more than 60 per cent. of the Ordinary Revenue Working Expenses of the Railways, and fuel constitutes the second largest item being nearly 15 per cent. of the aforesaid Working Expenses. The prices of other materials consumed by the Railways, in the course of their working, have also increased, in the period referred to, by more than 20 per cent. Because of the increasing volume of traffic and because of the Railways' sustained measures for control of expenditure, however, it has been possible, so far, to limit the increases in fares and freights to a very much lower level than what would otherwise have been necessary.

In regard to parcel traffic, I propose to levy a surcharge of ten naye paise per rupee, but exempting vegetables, milk and newspapers. I may explain that there has been no change in parcel freight rates since the general revision was made on the 1st October, 1958—which affected both parcel and goods rates—following the recommendations of the Railway Freight Structure Enquiry Committee, 1957. It is only equitable, particularly at this stage, when additional resources have to be raised, that parcel traffic should also make a contribution. This is justified even otherwise, considering that the earnings from parcel traffic—which constitute the major item under the head "other coaching earnings"—have not been covering even the cost of service in the last few years. In the present Emergency, the brightest aspect of which has been the enthusiastic understanding and willingness to share the necessary burden, the railway user will thus have an opportunity, while strengthening the Railways' financial position also to make a contribution to the General

Exchequer and to assist in the ways and means position of the General Finance through the small adjustments proposed in goods and parcel freight rates.

The additional levy proposed will not impose any great burden. In respect of goods traffic, for instance, for a distance of 600 kilometres (375 miles approximately), which is about the average lead of general merchandise, the levy will amount to about five naye paise per maund on salt, which is hardly one-eighth naye paise per kilogramme, about nine naye paise per maund on sugar, which is less than one fourth naye paise per kilogramme, and about four naye paise per maund on foodgrains which is one tenth naya paisa per kilogramme. For commodities charged at lower classifications the increase will be correspondingly less. The effect of the additional levy on parcel traffic, for the same distance of 600 kilometres, will work out to less than two naye paise per kilogramme—practically the same amount per seer—in respect of parcels moving at full parcel rates; the increase will be less on various commodities moving at less than full parcel rates, for instance, perishables in general.

20. The proposed increases, applied from the 1st April, 1963, are estimated to yield, in 1963-64, additional revenue of about Rs. 19 crores made up of Rs. 17 crores under 'goods' and Rs. 2 crores under 'parcels'. The estimate of passenger earnings in 1963-64 has been placed Rs. 5·25 crores higher than in 1962-63, on the basis of an increase of about one per cent. in passenger traffic and allowing for the fact that the current fares, which were introduced on the 1st July, 1962 and therefore applied only for nine months of 1962-63, will be effective during the whole of 1963-64. This estimate of passenger earnings, framed on a study of the latest trends, assumes that in the budget year there will not be quite as substantial an increase in passenger traffic as in the first two years of the Third Plan. In the aggregate, the 'Gross Traffic Receipts', in 1963-64, including the effect of the proposed levies, is expected to be Rs. 599·69 crores. On present reckoning, it is estimated that the railway transport capacity will have to be increased to the extent necessary to handle additional goods traffic aggregating 17 million tons in 1963-64, in excess of the originating tonnage in 1962-63. The increase, it is assessed at this stage, will consist of about four million tons from traffic for the Steel Plants (inclusive of coal and other raw materials as well as finished products), three million tons of coal from the outlaying fields, 4·8 million tons of coal from Bengal and Bihar (comprising 2·8 million tons of coal for washeries and two million tons for "other consumers"), one million tons from export ore, and the balance of 4·2 million tons from general goods.

21. The Budget Estimate of Ordinary Working Expenses for 1963-64, makes a net provision of Rs. 379·18 crores, which is Rs. 15·90 crores more than the Revised Estimate of Rs. 363·28 crores for 1962-63. The additional revenue from the increased traffic in 1963-64, over 1962-63, would be about Rs. 31 crores, if the effect of the levies now proposed (namely, Rs. 19 crores) is excluded; in relation to the aforesaid additional earnings, expenses of about Rs. 16 crores, which include also essential expenditure incidental to the present Emergency, can be regarded as being reasonable. The contribution to Depreciation Reserve Fund is shown at Rs. 80 crores, including the proposed additional contribution of Rs. 10 crores. After allowing for net miscellaneous expenditure and making payment to General Revenues of the fixed amount of Rs. 12·5 crores, for transfer to the States, in lieu of the passenger fares tax merged in fares from 1st April, 1961, as well as the increased amount of dividend at 4·5 per cent on the Railways' Capital-at-charge, the budgeted surplus in 1963-64

is estimated at Rs. 31 crores. This will be credited to the Development Fund. The estimated expenditure, to be met from this Fund in 1963-64, being Rs. 26 crores, there will be a net accretion to the Fund of Rs. 5 crores at the end of the year.

22. The Budget Estimate for Works, Machinery and Plant and Rolling Stock, including Open Line Works (Revenue), for 1963-64, is placed at Rs. 325 crores. This provides, as usual, for about Rs. 3 crores for railway users' amenities. The stepping up of the annual Capital Budget is essential, in order to ensure full implementation of the Railways' enlarged development programme in the Third Plan. I may mention, in passing, that some changes in the structure of the Demands relating to the Works Grants have been made, with a view to simplification, in consultation with the Comptroller and Auditor General and the Ministry of Finance. These changes are explained in some detail in the Explanatory Memorandum on the Railway Budget for 1963-64.

EXTERNAL ASSISTANCE

23. In the White Paper on the Railway Budget for 1962-63, mention was made of a loan of 50 million dollars (Rs. 23·81 crores) and of another loan of 43 million dollars (Rs. 20·43 crores), which were obtained from the World Bank and from the Agency for International Development of the United States (AID) respectively. The World Bank loan was fully utilised by the end of December, 1962, as scheduled. Orders have also been placed for 133 Broad Gauge and 25 Metre Gauge diesel locomotives against AID Loan. Fresh loans, to meet the foreign exchange requirements of the Railways, during the Third year of the Plan, are now under negotiation with the World Bank, the Agency for International Development and the Export-Import Bank of the United States.

I gratefully acknowledge all this external assistance received by the Indian Railways, which has enabled them to proceed satisfactorily with their development programmes in successive Plans.

PROGRESS IN THE EXPANSION OF RAIL TRANSPORT FACILITIES

24. Further to 528 route kilometres (328 miles) of electrification completed in 1961-62—the first year of the Third Plan—, another 329 kilometres (204 miles) have been commissioned during the current year as programmed. This covers the sections Gaya to Moghalsarai and Tatanagar to Nimpura, and brings the total length of track electrified on Indian Railways to about 1218 route kilometres (143 on D.C. and 1075 on 25 KV AC)—or 758 miles. Electrification work is in full swing in some section of the Sealdah Division, which are expected to be electrified in the course of 1963. Work is also in varying stages of progress on other sections, such as Nimpura-Khargpur, Tambaram-Villupuram, Moghalsarai-Allahabad-Kanpur and Durgapur-Calcutta Docks.

In addition to the electrification of the Durgapur-Calcutta Docks section, some branch line sections in and around Adra and Anara on the Southeastern Railway (about 67 route kilometres—42 miles) are being electrified. This will facilitate the increased movement of coal by about two million tons to Calcutta Port, for shipment to Southern and Western India. The Howrah-Burdwan main line, which had been electrified at an earlier stage on the D.C. system, is being converted to 25 KV AC system, to have a unified system of traction in this area.

In step with the progress of electrification, the Chittaranjan Locomotive Works are processing, as an additional item of their production, the manufacture of electric locomotives. Ten 3600 HP broad gauge electric locomotives (D.C.), have already been turned out and placed in service on the Central Railway. Eleven more such D.C. locomotives are in various stages of manufacture, and will be turned out within the next few months. Thereafter, these Works will undertake the manufacture of prototypes of 25 KV AC locomotives; the capacity for manufacture will be progressively increased to 60—70 such AC electric locomotives per year. Collaboration arrangements have been made with a consortium of reputed manufacturers of electrical and other equipment for locomotives in Belgium, Germany, France and Switzerland, to provide the Indian Railways the necessary technical assistance in the manufacture of electric locomotives. The indigenous manufacture of electric equipment will be progressively done in Heavy Electricals, Bhopal.

The Integral Coach Factory, Madras, has turned out, so far, 16 A.C. broad gauge electric multiple unit trailer coaches required for electric suburban services, and expects to turn out 179 trailer and 4 prototype motor coaches in 1963-64. The private sector, where capacity has been developed for the manufacture of six to seven electric multiple unit coaches a month, has commenced delivery against the first order for supply of 100 D.C. electric multiple unit coaches and has taken on a further order for 106 EMU coaches.

25. Keeping in view the need for electrification or dieselisation, according to the varying requirements in different areas, progress has also been made in the dieselisation of a number of sections. As the House is aware, the Railways have had to resort to the use of a certain number of diesel locomotives, in order to improve rail transport capacity as required over some sections. It may be of interest to mention in this connection that one diesel locomotive, by utilising one gallon of high speed diesel oil, will give nearly 400 net ton-miles of performance, against about 60 net ton-miles that a road truck will give for the same consumption of diesel oil. In other words, against one million tons of goods that may be carried over, say 60 miles by road in a diesel truck, a diesel locomotive will carry the same tonnage of goods over 400 miles consuming about the same quantity of diesel oil.

Fortyone metre gauge diesel locomotives were placed in service in 1961-62, and nineteen more in the current year. As already mentioned, these have been utilised to great advantage over the sections where heavy emergency movements had to be undertaken at short notice. A further lot of twentyfive metre gauge diesel locomotives—which may be increased to fifty—will be placed in service in 1963-64. On the Broad Gauge, the fleet of main line diesel locomotives has been augmented in the current year by 112 diesel locomotives, and 121 more such locomotives will be added in 1963-64. The assembling of the first lot of twelve Broad Gauge diesel locomotives in the Diesel Locomotive Works at Varanasi, with imported components, will soon be taken in hand. On present anticipations, the production target of 150 Broad Gauge diesel locomotives a year, from these Works, with 90 per cent indigenous content, will be reached in about four years from now. The manufacture of diesel shunting locomotives for industrial purposes, embodying indigenous materials and components, will also be taken up by the Varanasi Factory. Action has further been taken to develop capacity in the country for the manufacture of various spare parts for diesel and electric locomotives.

Seven diesel locomotives procured from West Germany and fitted with "Suri Transmission" have now given trouble-free service on the Northern Railway for over 18 months; a number of them have been used with success for over a year on passenger shuttles around Delhi. These locomotives have demonstrated good performance, including the anticipated economy in fuel consumption of 10 to 12 per cent, which is a combined result of the improved transmission system and of some special features in the diesel engine, controls and the radiator system.

26. The Third Plan envisages the construction of about 1,920 kilometres (1,200 miles) of new lines required for operational reasons and for mineral development and for opening up of new areas; these include certain new lines thrown forward from the Second Plan. The new lines which were under construction at the end of the Second Plan and which were completed in the first year of the Third Plan—including part of the Bauridand-Karonji line and a short branch line therefrom to serve the Central India coalfields—were referred to in page 17 of the White Paper on the Railway Budget for 1962-63. Of these lines, the Nalanda-Rajgir portion of the Bakhtiarpur-Rajgir line in Bihar and the residual portion of the Bauridand-Karonji line were opened to traffic in the early part of the current year. The other lines opened to traffic in the current year are Bondamunda-Nowagaon on the Southeastern Railway, Dhalaibil-Lakhimpur portion of the Rangapara North-Lakhimpur-Murkong Selek line on the Northeast Frontier Railway, and the Vijayawada-Masulipatam Section converted from metre gauge to broad gauge on the Southern Railway. Robertsganj-Nagar Untari portion of the Robertsganj-Garhwa Road Project and Champa-Korba extension across the Hasdeo river, are in an advanced stage of completion, and are expected to be opened to traffic in 1963-64. The particulars of the various Third Plan new lines and surveys, which are in different stages of progress, are given in the Budget documents.

Against the Third Plan provision for new railway lines for the development of coal industry, the construction of the Singrauli-Obra—58 kilometres (36 miles) and Singrauli-Katni—256 kilometres (156 miles) have been taken up. Proposals for extension of Amla-Parasia to Sirgora—18 kilometres (11 miles) and a new line between Butibori and Umrer—37 kilometres (23 miles) have been included in the 1963-64 Budget.

I would like to make special mention of the three railway lines under construction for the export of iron ore to Japan from Vishakhapatnam port. These lines traverse a difficult terrain, and the Engineers on the project are doing a difficult task extremely well. They have been able to achieve substantial reduction in cost through changes in alignment and regrading and revision in the design of bridges. The first of these is the 181 kilometres (113 miles) long Sambalpur-Titilagarh line, which is nearing completion; in fact, a major portion of this has already been opened for goods traffic, and the remaining portion is expected to be opened shortly. This line has involved considerable bridging, entailing about 8,000 tons of steel for the girders. Apart from handling iron ore traffic, the line would also provide a shorter route from the Bengal and Bihar mineral belt to the South. The second is the Bimlagarh-Kiriburu line, across a particularly difficult hilly terrain; this line is expected to be opened for traffic by April this year. The third line from Bailadilla to Kottavalasa is the longest and most difficult of the three links, being about 435 kilometres (270 miles) long. Though primarily conceived of as a line for export of iron ore, it will also open up, for general development, a large part of the country which did not have any rail communications so far. I recently had an opportunity of visiting the project site.

It was heartening to see that work was in full swing in this remote, difficult and inaccessible area, with a tight time schedule which requires completion of the line by January, 1966.

Various measures for increasing the line capacity of the Railway system continue to be taken. Further to the doubling of 1,448 kilometres (900 miles) of track, which will be completed in the first two years of the Third Plan, the doubling of another 1,413 kilometres (878 miles) will be taken in hand in 1963-64. Colour light signalling is to be installed progressively on the electrified routes, and automatic signalling has also been planned on some of the congested sections, as part of the measures for increasing line capacity.

27. Rolling stock holdings are being steadily increased, to keep pace with the increased transport requirements. In addition to diesel and electric locomotives already referred to, the production of broad gauge steam locomotives from Chittaranjan Locomotive Works, at the rate of about 168 locomotives a year, is being kept up, maintaining the cost of production at a little about Rs. 4 lakhs per locomotive which is well below the landed cost and even the ex-factory cost of similar locomotives if procured from abroad. Telco are maintaining an annual supply of about 70 metre gauge steam locomotives, in terms of the new five-year agreement covering the period from 1st June, 1961 to 31st March, 1966, under which the price per locomotive is lower than what was fixed by the Arbitrator for locomotives supplied by Telco for the period 1958—60.

The second shift working in the Integral Coach Factory, which was introduced from April, 1959, has been progressively intensified. This, together with the increased production resulting from the incentive scheme of payment by results, has now stepped up the out-turn of coach shells from this factory to nearly 650 per year. The permanent furnishing unit set up at this factory is already furnishing and equipping about 30 coaches per month; in the course of the next two years, it will be able to furnish all the coach shells turned out by the factory, thus relieving the pressure on other Railway workshops which are now partly furnishing the coach shells turned out by the Integral Coach Factory. The average cost of manufacture and furnishing of a coach has also steadily come down. The production in this factory has now been diversified, to include not only broad gauge electric multiple unit coaches, as already mentioned, but also III Luggage and Brake-vans, III Class Three-tier Sleeper Coaches, and Upper Class Composite Coaches. Production of metre gauge coaches, including metre gauge EMU Coaches, is also contemplated. Besides the out-turn of passenger coaches from the Integral Coach Factory, the HAL, Bangalore, and the private sector, turned out 550 passenger coaches in 1961-62, and expect to produce 587 such coaches in the current year and 600 in 1963-64.

There was a total production of over 1,600 coaches of all types in 1961-62, including over 1,100 passenger-carrying coaches and the balance motor-vans and parcel vans. This included the out-turn from the Integral Coach Factory as well as from HAL, Bangalore, and the private sector.

The manufacture of wagons has also been further stepped up. As against 19,100 wagons—in terms of four-wheelers—manufactured in 1961-62, the number of wagons expected to be turned out in the current year, is estimated at 22,300. This figure is further expected to increase to 30,000 wagons in 1963-64.

28. The incentive scheme of payment by results, which is being progressively introduced in the production sections of all major Railway workshops, has resulted in increased production. This has facilitated the taking on the the extra repair load on workshops, resulting from the steady increase in rolling stock holdings, and has also enabled, at the same time, the undertaking of new lines of production, such as cranes and wagons, in selected workshops.

INDIGENOUS MANUFACTURE AND SELF-SUFFICIENCY—RESEARCH

29. The Development Cell of the Railway Board has continued to function in close co-ordination and liasion with the Development Wing—now under the Ministry of Economic and Defence Co-ordination—,the Ministry of Steel and Heavy Industries, the Director General of Supplies and Disposals, and other Government departments concerned, as well as representatives of trade and industry. Capacity for the manufacture of a number of items, further to those indicated in pages 20-21 of the White Paper on the Railway Budget for 1962-63, has been developed. These include items such as ticket printing and counting machines, equipment for producing blank cards for tickets, motor trollies, rail-mounted cranes, and shock absorbers. Action has been initiated for increasing the indigenous capacity for some of the rolling stock components which are in short supply, like metre gauge couplers, roller bearing axleboxes, and draw-bar hooks. The production of prototypes of lubricating pads of improved designs, to replace the existing method of packing of rolling stock axleboxes by waste, has been progressed, with a view to reducing the incidence of "hot boxes". The development of further capacity for the manufacture of speedometers and speed recorders, and for asbestos mattresses required for the insulation of boilers, is also being pursued. Indigenous manufacture has been fully developed for practically all items of mechanical signalling equipment; it is expected that self-sufficiency in regard to the indigenous manufacture of electrical signalling items also will be reached by the end of the Third Plan period. Action has been taken for increasing the indigenous capacity in the country for components and ancillary items for rolling stock, like steel castings, forgings, vacuum brake equipment, and electric overhead fittings.

Promotion of exports of indigenously manufactured railway equipment has yielded some results so far. The exports have been primarily of some rolling stock components, train lighting equipment and railway carriage fans. The possibility of stepping up the exports of such materials is receiving attention, and constant touch is being maintained for this purpose with the Indian Missons abroad.

30. In the task of indigenous development—which has progressively increased the percentage of indigenous stores and equipment to the total purchase—the Research, Designs and Standards Organisation of the Railways (RDSO), of which the Railway Research Centre is a unit, has continued to be a most useful adjunct. The "Central Board of Railway Research" has been reconstituted, in order to maintain a close liaison with other research and technical bodies and institutes in the country as well as representatives of big and small industries manufacturing railway equipment. The D.C. electric locomotives turned out from Chittaranjan Locomotive Works, to which reference was made earlier, were designed entirely by the RDSO, and are now giving fully satisfactory service. The diesel industries shunting locomotive, which is to be manufactured in

the Diesel Locomotive Works, Varanasi, has also been designed by the RDSO.

FUEL CONSUMPTION

31. The fuel bill of the Railway constitutes the second largest item of working expenses—next only to the cost of staff. With the steady increase in the demand for superior grade coal for steel plants and for metallurgical and other important industries, the Railways are receiving and increasing proportion of lower grade coal and are facing the problem of formulating and maintaining measures to counteract the effect of this. So far, the establishment of one non-coking coal washery, to augment the supplies of superior grade coal to the Railways, has been taken up in the Karanpura area; this is likely to be commissioned in the last year of the Third Plan. Meanwhile, the Railways have also taken certain steps, on their own, such as procurement of coal by the Railways under direct contract with the collieries, with effect from 1st February, 1962, with arrangements for inspection at the loading points. Various fuel economy measures, such as exercising close watch on performance, trip rationing on the basis of trials, and training of staff in the economic use of coal, are also receiving sustained attention.

IMPROVEMENT IN THE SERVICE RENDERED BY THE RAILWAYS

32. I am aware of the general concern at this time that, more than anything else, the Railways should equip themselves for rendering a more secure and safe service to the nation as recommended in the interim Report of the Railway Accidents Committee, 1962. A statement has already been submitted to Parliament, indicating the acceptance by the Ministry of Railways of practically all the recommendations of the Committee. I may assure the House that these recommendations will be actively and speedily implemented.

33. The Railways have been steadily pursuing the policy of providing basic amenities in all Railway stations and in all trains, particularly for the Third Class passengers, besides improving the standard of amenities already provided, wherever necessary, for railway users generally.

The programme of electrifying Railway stations, wherever electric supply is available readily, is being progressively implemented. 216 railway stations were electrified in 1961-62, and 145 more are expected to be electrified before the end of the current year.

Besides fitting fans in all new Third Class coaches, fans are being fitted progressively in the old coaches as these coaches come into the workshops for periodical repair and overhaul. About 5,300 fans were fitted in 546 Third Class coaches of the older type during 1961-62, and 5,000 fans are expected to be fitted in 590 coaches in the current year. This will bring the number of Third Class passenger coaches fitted with fans—both coaches of the older type and the new coaches—to about 84 per cent of the total coaches in Service.

The Railways are doing whatever they can, within the available resources, to ease overcrowding in trains. The Third Plan provides for an annual increase in passenger traffic of about three per cent. In 1961-62, the Railways provided 3.6 per cent more, by way of passenger carrying vehicles; the actual increase in passenger traffic—taking both suburban

and non-suburban—, however, exceeded the Plan provision, being of the order of six per cent. The overall increase in passenger services, in 1961-62, was about 2·25 per cent, while the increase in the electric suburban services in Bombay, Madras and Calcutta was about 6·7 per cent. During the current year, 45 new trains have been introduced up to the end of October, 1962, involving additional train kilometres of nearly 6,200 daily. Similarly, 52 existing trains have been extended in this period, involving addition to the daily train kilometres of nearly 2,000. In suburban services, 108 new trains were introduced (98 on broad gauge and 10 on metre gauge), involving additional train kilometres of nearly 3,000 per day. Seven suburban trains were extended in their run, involving an addition to the daily train kilometres of 97.

The House is already aware of the increasing facilities being provided to Third Class passengers in the matter of reserving sleeping accommodation. More and more coaches, providing equal number of seats and sleeping berth, without payment of any extra charge, are being provided on long distance trains, for the facility of Third Class passengers travelling beyond 800 kilometres (500 miles). Attendants have been provided in the corridor-type First Class coaches on important trains.

34. The Railway Users' Consultative Committees, both at the Zonal Railway level and at the Divisional level, the Time Table Committees, Passenger Amenities' Committees, Catering Supervisory Committees, Bookstall Advisory Committees, and Station Consultative Committees, have continued to function usefully. Members of Parliament, through the Informal Consultative Committees, have continued to evince keen interest, and make useful and constructive suggestions, in the matter of improving the service rendered by the individual railways.

OPERATIONAL, ORGANISATIONAL AND ADMINISTRATIVE IMPROVEMENTS

35. Progressive improvement in organisational and operational measures in receiving continuous attention, in relation to the increase in the workload of the Railways as assessed from time to time. The strain of workload has been eased through various operational measures such as modernization of signalling, improved traction and introduction of longer trains. The mobilisation of the physical resources of the Railways, through intensive use of the principal assets, namely, track, locomotives and wagons, has yielded significant results. These results indicate how the assets are being used far more efficiently now, as compared to some years ago. This has been brought out in the Review which is being circulated with the Budget papers. Organisational and administrative improvements have also been effected, through the setting up of separate project and construction organisations, wherever necessary, strengthening the cadres at supervisory levels in the different departments of the Railways, introduction of the full divisional organisation on all the larger railways, and increasing delegation of authority to lower levels. Particularly, in the present context, when it is necessary to maximise utilisation of all available resources, including man-power, all the aforesaid measures have served to keep down increases of staff strictly in relation to the requirements of additional traffic. I have already referred to the increased productivity in Railway workshops, without increasing the staff strength, by introduction of the incentive scheme, which gives, at the same time, a larger average remuneration to the worker.

The recent setting up of the divisional organisation on the Southeastern Railway—which had been deferred earlier, during the period of initial

constructional activity on that railway—and the bifurcation of the Asansol Division into two full fledged divisions, with headquarters at Asansol and Dhanbad, are other measures of improvement which have been adopted. These measures have been undertaken, keeping in view the substantial increase in workload during the Third Plan which will devolve on the Eastern and the Southeastern Railways, with the increased raisings of coal, expansion of public sector steel plants and development of new areas for export of iron ore.

LABOUR RELATIONS—STAFF WELFARE—STAFF TRAINING

36. I am glad to say that the relations with the Railwaymen have continued to be cordial. The Permanent Negotiating Machinery has continued to function well at all levels. The House may be aware that an *ad hoc* Tribunal had been set up some time ago, to consider certain matters on which agreement could not be reached with the Workers' Federation. The consideration of the recommendations of this Tribunal had necessarily to be deferred until the Pay Commission's main recommendations had been implemented. Thereafter, the Tribunal's recommendations were considered, and most of these have been accepted and implemented.

37. Joint Committees of officers and staff have continued to function satisfactorily at various levels on the Railways, for enlisting the co-operation of the staff in the achieving of efficiency and economy. The number of such committees increased from 350 in 1960-61, to more than 400 in 1961-62.

38. In pursuance of the general policy of Government for introducing a scheme of "workers' education", a start has been made in affording facilities to railwaymen, for education in the principles and technique of trade union organisation, intelligent participation in Union affairs, and better performance of their duties.

39. The Railway Administration have been maintaining the necessary tempo of improvement in various measures for the welfare of staff. It is proposed to add about 12,000 residential quarters every year—more or less corresponding to what is being done from the commencement of the Second Plan—in order to improve housing facilities for staff.

The Railways continue to maintain twelve subsidized hostels, in different language areas, to mitigate the difficulties of staff who have to send their children away from their head-quarters for the purpose of education. Even though education is primarily the responsibility of State Governments, the Railways are assisting in the matter of education of children of railway employees located in places where non-Railway schools are not readily accessible. The Railways are themselves running 36 Higher Secondary and High Schools, 24 Middle Schools and 641 Primary Schools. The scheme of monetary educational assistance, as admissible to non-gazetted Railway employees who have to send their children away for the purpose of education, in the absence of requisite schooling facilities at their headquarters station, has been extended to temporary employees who have put in three years' service.

The scheme of awarding 1,000 scholarships every year from the Staff Benefit Fund, to assist in the technical education of Railway employees' children, has now been in force for seven years. In 1961-62, the total

number of scholarships, including those continuing from the previous years, was 2,537, entailing an expenditure of nearly rupees nine lakhs. In view of the large expenditure involved on the scheme, the normal annual contribution of about Rs. 50 lakhs to the Staff Benefit Fund from railway revenues, which is at the rate of Rs. 4·50 nP. per employee on the Railways, is being augmented to the extent of half the annual expenditure on the scholarships.

In regard to medical facilities for Railway employees and their families, the number of beds in Railway hospitals and health units was increased by 352 during 1961-62. At the commencement of the current year, there were 78 Railway hospitals and 516 health units, with a total of 6,296 beds including 449 tuberculosis beds, in addition to 1,214 tuberculosis beds reserved in outside Sanatoria on railway account. The medical attendance and treatment rules have been liberalised in several details, and medical equipment and treatment have also been enlarged in the larger railway hospitals.

The development of Employees' Co-operative Societies and Stores has been accepted by the Government as one of the measures for stabilising prices. On the Railways and in a few other Central Government departments, Co-operative Societies have already been functioning for several years. An inter-departmental Study Group is examining what measures are necessary in these departments, to facilitate further development of the Co-operative Organisations. The total working capital of 26 Co-operative Credit Societies functioning on the Railways, amounted to nearly Rs. 32 crores at the end of 1961-62. The total membership of these Societies was nearly 6,69,000. There were, in addition, 174 Railwaymen's Consumer Co-operative Societies—against 167 such Societies in the previous year—whose turn-over in 1961-62 was Rs. 1·71 crores. In the current year, four more Consumer Co-operative Societies have been opened on different railways.

40. The Railways have been alive to the increasing need for expanding and improving the training facilities for all levels of railway staff, keeping in view the large increase in workload in the Third Plan period and the need for regular courses of initial training as well as intensive refresher courses, particularly for staff concerned with train operation and safety. Most of the recommendations of the Railway Technical Training Schools Committee, 1961, have been accepted, and orders for their implementation have issued. Advantage has also been taken, of the offers of the training facilities extended, under the various technical aid plans and programmes by foreign Governments and Agencies. Under these, gazetted and non-gazetted staff have been deputed abroad in connection with training in the design and working of diesel locomotive and electric locomotives, steel foundry, productivity methods, and specialised post-graduate medical courses.

41. Before concluding, I would like to make special mention of the response which Railway workers have so spontaneously made to the defence effort. This response involves not only cheerful acceptance of the increased burden of work during the Emergency, but also voluntary contributions from their wages to the National Defence Fund and subscriptions to various Defence Saving Schemes instituted to strengthen the ways and means position of Government. In addition, organisations of women members of families of railway employees have been collecting and sending substantial quantities of gifts in kind to the jawans.

The implementation of the Railways' programme in the Third Five Year Plan is a stupendous task. The progress so far in the implementation of the programme holds out reasonable hopes of fulfilment by the Railways of the Plan target. The Emergency has thrown additional burden on the Railways, as the national economy, with which rail transport is closely associated, has to be geared to the defence effort. Railwaymen have risen to the occasion, and have indeed done a splendid job in connection with the Emergency. I have every confidence that they will sustain their awareness of their increased obligations to the country at this juncture, and will do even better than they have done hitherto.

Permit me, Sir, to thank you and the House for the patient hearing given to me.

EXPLANATORY MEMORANDUM ON THE RAILWAY BUDGET FOR 1963-64

PART I—REVENUE

SUMMARY OF THE FINANCIAL RESULTS OF THE RAILWAY UNDERTAKING

(In crores of rupee

SURPLUS

1961-62	**24·40 (Actuals)**
1962-63	**23·20 (Revised Estimates)**
1963-64	**31·00 (Budget Estimates)**

FINANCIAL RESULTS OF THE YEAR 1961-62

2. The table below shows the details of the Gross Traffic Receipts for 1961-62, according to the final accounts, in juxtaposition with the Revised Estimate for that year and the actuals of the earlier year (1960-61):—

(In crores of rupees)

	Actuals, 1960-61	Revised Estimate, 1961-62	Actuals, 1961-62
Passenger Earnings—			
Upper	15·18	17·22 *	17·55
Third	116·41	136·78	133·33
Other Coaching Earnings	27·21	29·00	29·10
Goods Earnings	286·14	305·25	306·90
Sundry Other Earnings	12·63	13·50	13·61
TOTAL	457·57	501·75	500·49
Suspense	—0·77	—0·51	+0·01
Gross Traffic Receipts	456·80	501·24	500·50

*The figures of actuals for 1960-61 against Passenger Earnings are not susceptible of direct comparison with those of 1961-62 against the same head. The figures for the years from 1961-62 onwards will include additional earnings resulting from the merger of Passenger fares tax with the Passenger Fares, from 1st April, 1961 ; in lieu of this, however, an annual payment of 12·5 crores is being made to the General Revenues, for distribution to the States, over and above the 4·25 per cent dividend on the Railway's Capital-at-charge payable by the Railways to the General Exchequer.

It will be seen that the final figures of Traffic Receipts for 1961-62 turned out, on the whole, to be a close approximation to the Revised Estimate for 1961-62; there was only a small decrease of 0·74 crore (less than a quarter per cent). This small variation was the net result of (i) a decrease of about 3·12 crores from the Revised Estimates of Passenger Earnings, offset largely by the increase of (ii) 1·65 crores under Goods

Earnings, 10 lakhs under Other Coaching Earnings, 11 lakhs under Sundry Other Earnings, as well as a reduction in unrealised earnings (Suspense) to the extent of 52 lakhs. The shortfall in the Passenger Earnings, in comparison with the assessment forming the basis of the Revised Estimates, was mainly due to the reversal of the trend of the increase in Passenger Earnings, from the last period of December, 1961 to the end of February, 1962 consequent on the fall in Passenger traffic on account of severe cold spell during December, 1961 and January, 1962 and popular misgivings about travel during a time of planetary conjunction in February, 1962.

3. The Ordinary Working Expenses (Gross) for the year 1961-62, which came to 376·99 crores, showed a saving of 7·83 crores, or about 2 per cent from the Revised Estimate figure of 384·82 crores; this also reflected the effects of the enforcement of economy measures, particularly with reference to traffic as it materialised in the closing months of the year. This decrease consisted of 76 lakhs, or about 2 per cent, under Demand No. 4—Administration; 4·14 crores, or about 3 per cent, under Demand No. 5—Repairs and Maintenance, mainly due to reduced expenditure on periodical overhaul and other repairs to rolling stock as a result of various measures of economy, such as utilising reconditioned and reclaimed materials, less expenditure on maintenance of electrical services due to certain spare parts not received during the year, etc.; 99 lakhs, or about 1 per cent, under Demand No. 6—Operating Staff; 7 lakhs, or less than a quarter per cent, under Demand No. 7—Operation (Fuel); 1·22 crores, or about 5 per cent, under Demand No. 8—Operation other than Staff and Fuel; 14 lakhs, or about half a per cent under Demand No. 9—Miscellaneous Expenses; and 51 lakhs, or about 5 per cent, under Demand No. 10—Labour Welfare, which is mainly due to reduced pace of recruitment as a result of economy measures resulting in less requirements for training of staff, the cost of such training being chargeable to "Labour Welfare".

The credits or recoveries, which are taken outside the Demands as reduction of expenditure in the accounts, fell short by 2·77 crores, as compared to the anticipations in the Revised Estimate. The gross amounts under various Demands are compared in the table below, with the Revised Estimate and the actuals of the earlier year:—

(In crores of rupees)

	Actuals, 1960-61	Revised Estimate, 1961-62	Actuals, 1961-62
Demand No. 4—Administration	37·64	38·48	37·72
Demand No. 5—Repairs and Maintenance	117·05	123·59	119·45
Demand No. 6—Operating Staff	71·89	74·70	73·71
Demand No. 7—Operation (Fuel)	72·16	78·61	78·54
Demand No. 8—Operation other than Staff and Fuel	24·74	26·30	25·08
Demand No. 9—Miscellaneous Expenses	28·31	32·14	32·00
Demand No. 10—Labour Welfare	9·90	11·00	10·49
TOTAL	361·69	384·82	376·99
Credits or recoveries	—48·54	—54·43	—51·66
NET	313·15	330·39	325·33

Payments to worked lines came to 18 lakhs—2 lakhs more than the Revised Estimates. The net Miscellaneous expenditure (i.e., taking miscellaneous receipts in reduction) was 3·27 crores less than the anticipation in the Revised Estimate, mainly due to (i) the fortuitous element represented by the increase in the miscellaneous receipts by about 95 lakhs which itself is chiefly on account of more staff than anticipated, electing pension scheme of retirement benefits in lieu of the State Railway Provident Fund Scheme by which they were previously governed; this resulted in a large quantum of Government contribution in the State Railway Provident Fund Accounts reverting to Government. (ii) reduced expenditure on works chargeable to Revenue to the extent of about 2·05 crores, as a result of re-adjustment and rephasing of certain works according to actual requirements, and (iii) aggregate of minor variations in other items of miscellaneous expenditure (27 lakhs).

4. The aggregate effect of the aforesaid variations, together with reduction in Revenue Working Expenses referred to earlier, was that the net Railway Revenue, i.e., before payment of Dividend to General Revenues, exceeded the Revised Estimate figure of 92.18 crores by 7:57 crores. The Dividend to General Revenues came to 62·85 crores, i.e., a reduction of about 35 lakhs, due to normal variations in the actual figure of capital outlay from earlier estimates. The final result of all the variations was an increased surplus of 24·40 crores, i.e., an increase of 7·92 crores over the Revised Estimate anticipation of a surplus of 16·48 crores. The surplus was credited in full to the Development Fund as usual.

5. The Railway Depreciation Reserve Fund, which opened with a balance of 19·79 crores, received a contribution of Rs. 65 crores—on the basis of the accepted recommendation of the Railway Convention Committee—1960, taking effect from the year 1961-62, fixing the yearwise annual appropriation from the Revenues of the Zonal Railways for the period 1961—66, 1·77 crores from the Chittaranjan Locomotive Works and the Integral Coach Factory, and 86 lakhs as interest on the balance, making a total of 67·63 crores. Against this, there was a withdrawal of 58·23 crores, leaving a closing balance of 29·19 crores at the end of 1961-62.

The Railway Development Fund opened with a balance of 19·13 crores. This balance was increased by 17·20 crores, as a result of the *ad hoc* adjustment to Capital, as per the accepted recommendation of the Railway Convention Committee, 1960, of the cost of unremunerative new lines under construction on 1st April, 1955 previously charged to Development Fund under the 1949 Convention and also certain other adjustments. Due to the repayment of the loan of 29·40 crores obtained from the General Revenues from 1958-59 to 1960-61, as per the accepted recommendation of the Railway Convention Committee, 1960, this total balance of 36·33 crores was reduced to an effective balance of 6·93 crores in the Development Fund at the commencement of the Third Plan Period. The Fund received an appropriation of 24·40 crores, representing the surplus of the year, and 30 lakhs as interest on balance, making a total of 24·70 crores. Against this, there was a withdrawal of 21·14 crores, leaving a closing balance of 10·49 crores at the end of 1961-62.

The Revenue Reserve Fund opened with a balance of 53·45 crores. There was no appropriation to, or withdrawal from, the Fund during the year. With a credit of 1·92 crores on account of interest on the Fund balance, the Fund closed with a balance of 55·37 crores at the end of 1961-62.

6. The principal financial figures for the year 1961-62 are shown in the table below, in juxtaposition with those of the Revised Estimate of that year and the actuals of the earlier year:—

(In crors of Rupees)

	Actuals, 1960-61	Revised Estimate 1961-62	Actuals, 1961-62
Gross Traffic Receipts	456·80	501·24	500·50
Ordinary Working Expenses	313·15	330·39	325·33
Appropriation to Depreciation Reserve Fund	45·00†	65·00†	65·00†
Payments to Worked Lines	0·09	0·16	0·18
Net Traffic Receipts	98·56	105·69	109·99
Net Miscellaneous Expenditure	10·69	13·51	10·24
Net Revenue	87·87	92·18	99·75
Payments to General Revenues			
Dividend to General Revenues	55·86*	63·20†	62·85†
Payment in lieu of tax on passenger fares	...	12·50	12·50
Surplus	32·01	16·48	24·40
Operating Ratio	78·4%	78·9%	78·0%
Capital charge	1,520·87	1,707·43	1,682·98
Ratio of net revenue to Capital-at-charge	5·8%	5·4%	5·9%

†Represents depreciation provision made from Revenue and not that in respect of the manufacturing units, which, under the extant procedure, is charged to Workshop manufacture Account (Capital.)

*At 4% on the Capital-at charge.

†At 4·25% on the Capital-at-charge.

REVISED ESTIMATES, 1962-63

TRAFFIC RECEIPTS

7. The Revised Estimate of traffic receipts is placed at 549·62 crores, *i.e.*, an increase of 4·26 crores over the Budget Estimate of 545·36 crores—made up of increases over the Budget Estimate under passenger earnings, other coaching and sundry earnings.

In the Budget Estimates, passenger earnings were placed at 166·46 crores. There has been a slight rise (less than half a per cent) in the passenger traffic over the budget anticipations and as a result, the revised estimate of passenger earnings incorporates an increase of 79 lakhs.

An increase of 2·50 crores is now anticipated under other coaching traffic, the Revised Estimate of which has been fixed at 31·50 crores against the Budget Estimate of 29 crores. This takes into account the usual periodical revisions of the Tariffs for Postal Traffic with effect from 1st April, 1961 and Military Traffic with effect from 1st January, 1962, which were finalised in the course of the year. The revision of rates for Postal Traffic is expected to yield an annual additional revenue of about 22 lakhs

and the revision of the Military tariff about 20 lakhs. The Revised Estimate also takes into account the increased earnings on account of the slightly increased parcel traffic as well as the increased defence traffic on account of the present Emergency movements.

Goods earnings in the Revised Estimate have been kept at the same level as in the Budget Estimate *viz.*, 337·55 crores, in keeping with the present indications that the anticipated increase in originating traffic of about 15 million tons during the current year, over the preceding year, is likely to be achieved.

An increase of 1 crore has been allowed for under Sundry earnings, over the Budget Estimate of 13·50 crores. Providing for a small increase of 3 lakhs in the net unrealised earnings held under Suspense, the Revised Estimates for Gross Traffic Receipts for the current year, 1962-63, are placed at 549·62 crores.

The details of the Revised Estimates of Gross Traffic Receipts for the current year are compared in the table below, with the Budget Estimates for this year and the actuals of the previous year (1961-62):—

(In crores of rupees)

	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63
Passenger Earnings—			
Upper	17·55	19·00	**19·30**
Third	133·33	147·46	**147·95**
Other Coaching Earnings	29·10	29·00	**31·50**
Goods Earnings	306·90	337·55	**337·55**
Other Sundry Earnings	13·61	13·50	**14·50**
TOTAL EARNINGS	500·49	546·51	**550·80**
Suspense	+0·01	—1·15	**—1·18**
GROSS TRAFFIC RECEIPTS	500·50	545·36	**549·62**

WORKING EXPENSES

8. The total Budget Grant (Gross) for Ordinary Working Expenses, for the year 1962-63, was 410·41 crores. Supplementary Grants under Demand Nos. 7 and 9, aggregating to about 4·79 crores, were voted by the Parliament during the November, 1962 Session, to cover *inter alia* the following:—

(i) Under Demand No. 7, the effect of post-budget developments by way of increases in the price of coal and receipt of greater proportion of inferior grades of coal than allowed for in the Budget, resulting in higher consumption; and

(ii) Under Demand No. 9, to cover mainly the financial effect of the post-budget decision to credit Government contribution to the Provident Fund accounts of certain temporary employees corresponding to the liberalisation of the pension rules on the recommendations of the Pay Commission—allowing temporary service to count in full for pension, if followed by confirmation, instead of half such service as previously—and increased expenditure anticipated in respect of pensions.

The aforesaid Supplementary Demands raise the total Revenue Working Expenses Grants (Gross), for the year, to 415·20 crores. The Revised Estimate, based on the latest anticipations, is 418·74 crores, involving an increase of 8·33 crores over the Original Gross Budget, or a further increase of 3·54 crores over the modified allotment. The further provision now required also covers the effect of the impact of the present emergency on the railways on account of operational expenditure pertaining to the emergency movements as also expenditure on Civil Defence measures and track patrolling, etc. in certain parts of Upper India. The aforesaid increase makes up a total increase of 4·22 crores under Demands 6, 7 and 9 which is offset by a reduction of 0·68 crore in other demands representing the net effect of variations explained below:—

(i) A reduction of 43 lakhs under Demand No. 4, mainly due to economy measures.

(ii) A reduction in the Repairs and Maintenance expenditure of 19 lakhs under Demand No. 5, made up of 2·37 crores under 'Rolling Stock' due to less expenditure than anticipated on periodical overhauls and other repairs to locomotives, coaches and wagons, offset by an increase of 2·18 crores mainly under 'Maintenance of Way and Works' to cover repairs to flood damage and expenditure for improving the standards of maintenance including more expenditure on ballast, etc.

(iii) A minor reduction of 6 lakhs under Demand No. 8.

9. The variations of the Revised Estimates for the current year 1962-63, from the original Budget Estimates of the year, under each of the Revenue Working Expenses Demands 4 to 10, are explained below in some further detail:—

Demand No. 4—Administration.—The net reduction of 42·94 lakhs under this Demand is mainly due to non-utilisation of the additional provision for staff, arising from vacancies not being filled as an economy measure (52·96 lakhs), less provision found sufficient for payment of dearness allowance at enhanced rates (9·90 lakhs), and transfer cf provision to other demands (19·31 lakhs). These factors are neutralised partly by increased provision required under travelling and other allowances (11·62 lakhs), payment of arrears on account of upgrading of posts in certain cadres, etc. (21·12 lakhs), additional provision required under Order police based on the latest estimates received from the States (4·11 lakhs), and aggregate of other minor variations (2·38 lakhs).

Demand No. 5—Repairs and Maintenance.—There is a reduction of 18·64 lakhs under this Demand, mainly due to less expenditure, than anticipated, on periodical overhauls and other repairs to Rolling Stock (237·04 lakhs), repairs to electrical installations, etc. (20·80 lakhs), and less provision found sufficient for payment of dearness allowance at enhanced rates (55·07 lakhs), offset by additional provision required to cover post-budgetary decisions regarding the grant of night duty allowance to certain categories of staff (21·84 lakhs) and weekly paid rest to casual labour (20·03 lakhs); provision for increased expenditure on maintenance of track, for improved standard of maintenance, as also for repairs to flood damage, etc. (236·43 lakhs); and increased expenditure anticipated on maintenance of ferry craft (3·44 lakhs), Signal and Telecommunication services (3·42 lakhs) and other equipment (9·11 lakhs).

Although there is an overall saving under this Demand, there is a small additional provision of 82 thousands required under the *'charged'* portion, to meet certain claims arising from Court decrees and awards by arbitrators which could not be foreseen in the Budget.

Demand No. 6—Operating Staff.—There is an increase of 128·67 lakhs under this Demand, mainly to cover provision required for night duty allowance to certain categories of staff (64·96 lakhs), grant of weekly paid rest to casual labour (1·19 lakhs), as also for payment for working on certain national holidays (5·84 lakhs)—all these being post-budget decisions—and for appointment of additional staff, increase under travelling and other allowances not anticipated at the time of budget but actually found necessary for the traffic handled, including additional provision for handling traffic pertaining to the Emergency, as also for payment of arrears for overtime allowances unavoidably thrown forward from last year (48·62 lakhs); and increased provision required under this Demand due to transfer of provision from other Demands (8·06 lakhs).

Demand No. 7—Operation (Fuel).—Under this Demand a Supplementary Grant of 2·55 crores was obtained from the Parliament in November, 1962, made up of an increase of 114·46 lakhs due to post-budget enhancements in the price of coal per ton by 6 nP from 1st June, 1962, an average of 85 nP from 13th June, 1962 and by 10 nP with effect from 20th October, 1962; 115·54 lakhs owing mainly to receipt of greater proportion, than allowed for in the Budget, of inferior grades of coal by Railways, resulting in higher rate of consumption of coal and necessitating larger total supplies to the Railways, and 25·08 lakhs representing aggregate of other minor variations, such as expenditure unavoidably thrown forward from last year, etc. The Revised Estimates record a further increase of 107·13 lakhs, to cover increased traffic in certain sections especially in connection with the movement necessitated by the present Emergency (25·49 lakhs), and also to cover provision required under freight and handling charges, etc., to hold reasonably adequate stocks of coal to meet operational needs as they may arise in the present Emergency (56·00 lakhs), the balance representing normal variation in the amounts of subsidy realised from the Ministry of Mines and Fuel in respect of coal carried by the rail-*cum*-sea route (26·24 lakhs), offset by a minor saving under *'charged'* expenditure (0·60 lakh).

Demand No. 8—Operation other than Staff and Fuel.—There is a reduction of 6·14 lakhs under this Demand. This is mainly due to a reduction of 175·98 lakhs in respect of payments for compensation claims, due also to the effect of the assumption of 'carrier liability' not being felt during the current year to the extent anticipated originally, partly offset by increases on account of provision made in the current year for more adjustments expected to be made from the Stock Adjustment Account, Port Trust Railways, etc. (132·96 lakhs), increased expenditure anticipated on consumable stores, etc. (13·07 lakhs) and aggregate of other variations (23·81 lakhs).

Demand No. 9—Miscellaneous Expenses.—Under this demand, a supplementary grant of 224·09 lakhs, including 13·68 lakhs for *charged* expenditure, was obtained from the Parliament in November, 1962, to cover provision required as a result of a post-budgetary decision to credit Government contribution to the Provident Fund accounts of temporary employees appointed before the pension scheme of retirement benefits was introduced as a compulsory measure for new entrants from 16th November, 1957, so as to correspond with the liberalisation of pension rules on the recommendations of the Second Pay Commission (116·59 lakhs), more

payment of pension and gratuities due to increased number of employees opting for pension (44·83 lakhs), payment of arrear municipal taxes (14·89 lakhs), unavoidable variations in payment of compensation to those involved in Railway accidents (13·68 lakhs) and aggregate effect of other normal variations (34·10 lakhs). Against the increase of 224·09 lakhs anticipated over the Budget Grant in November, 1962, the latest estimates show an increase of 411·09 lakhs, recording a further increase of 187·00 lakhs over the modified grant. A substantial portion of the increase, *i.e.*, 128·11 lakhs, represents requirements directly arising out of the Emergency and consequential civil defence measures, such as raising of special emergency reserve of Railway Protection Force for safeguarding of track, workshops and other Railway installations in different parts of Upper India, etc. The balance of the increase is to cover additional expenditure of pensionary charges based on last anticipations (8·61 lakhs) and on account of Government contribution to the Provident Fund accounts of employees including temporary employees who had joined service prior to 16th November, 1957 with reference to the latest data available since provision for this purpose was made in November, 1962.

Demand No. 10—*Labour Welfare.*—The overall requirements in the Revised Estimates are expected to be at the same level as the Budget Grant, the increases required for the building up of minimum stocks of essential medicines, etc., in the present context, and payment of non-practising allowance to Railway doctors decided upon during the year, being met by savings arising from the non-materialisation of the filling up of vacancies, etc.

10. There is no variation in the appropriation to Depreciation Reserve Fund and Payments to worked lines.

11. The table below compares the Revised Estimates for Ordinary Working Expenses, with the Budget as increased by the Supplementary Grant obtained in November, 1962 and the actuals of the previous year.

(In crores of rupees.)

	Actuals, 1961-62	Budget Estimate, 1962-63 (as modified by Supplementary Demands for Demands Nos. 7, & 9 voted in November, 1962)	Revised, Estimate, 1962-63
Demand No. 4—Administration	37·72	41·94	**41·51**
Demand No. 5—Repairs and Maintenance	119·45	133·18	**132·99**
Demand No. 6—Operating Staff	73·71	81·45	**82·73**
Demand No. 7.—Operation (Fuel)	78·54	85·25	**86·32**
Demand No. 8.—Operation other than Staff and Fuel	25 08	28·68	28·62
Demand No. 9—Miscellaneous Expenses	32·00	32·40	**34·27**
Demand No. 10—Labour Welfare	10·49	12·30	**12·30**
TOTAL	376·99	415·20	**418·74**
Credits or recoveries	—51·66	—54·35	**—55·60**
Net	325·33	360·85	**363·14**
Appropriation to Depreciation Reserve Fund	65·00	67·00	**67·00**
Payments to Worked Lines	0·18	0·14	**0·14**

MISCELLANEOUS TRANSACTIONS

12. In the Budget Estimates for 1962-63, an amount of 19 lakhs was provided under Miscellaneous Receipts and 16·54 crores under Miscellaneous Expenditure. A supplementary grant of 12 lakhs, covering Demand No. 2, was obtained in August, 1962, in respect of certain 'new' surveys to be done in the current year for augmenting rail transport capacity on certain routes particularly in connection with the increase in coal traffic during the early years of the Fourth Plan. Against the modified grant of 16·66 crores for Miscellaneous expenditure, the Revised Estimate provides for an expenditure of 15·68 crores, due to less expenditure on works chargeable to Revenue (73 lakhs) and other Miscellaneous Railway Expenditure (30 lakhs), partly offset by an increase of 5 lakhs under Surveys.

As regards Miscellaneous Receipts, it was not envisaged in the Budget estimate that any further accretion to Revenues, of Government contribution to Provident Fund accounts of the employees opting for the pensionary form of retirement benefits, would occur in 1962-63, as the last date of option was to expire on 31st December, 1961. As a result of the extension of the date for options up to 31st March, 1963, more serving employees have opted for pension during 1962-63; an additional amount of 58 lakhs, representing the accumulated Government contribution and interest thereon, in the accounts of State Railway Provident Fund of further optees during the year, will revert to the Government. The Revised Estimates for 1962-63 have accordingly been placed at 77 lakhs.

13. The table below compares the Revised Estimates of Miscellaneous Transactions, with the Budget as increased by supplementary grant obtained in August, 1962 and the actuals of the previous year (1961-62) :—

(In lakhs of rupees)

	Actuals, 1961-62	Budget Estimate, 1962-63 (as modified by Supplementary Demands voted in August, 1962)	Revised Estimate 1962-63
RECEIPTS			
Guarantees recoverable from State Governments for unremunerative lines	..	..	..
Other receipts from Subsidised Companies	3	2	2
Miscellaneous Railway Receipts	2,61	17	75
TOTAL RECEIPTS	2,64	19	77
EXPENDITURE			
Subsidy	12	14	14
Land	..	..	..
Surveys	10	45	50
Miscellaneous Railway Expenditure	3,06	3,57	3,27
Open Line Works—Revenue	9,60	12,50	11,77
TOTAL EXPENDITURE	12,88	16,66	15,68
NET MISCELLANEOUS EXPENDITURE	10,24	16,47	14,91

DIVIDEND TO GENERAL REVENUES

14. The Revised Estimate of Dividend to General Revenues is placed at 68·73 crores, or 0·62 crore less than the Budget Estimate of 69·35 crores. This is mainly due to a recomputation of the Dividend due on the basis of Capital-at-charge anticipated in the Revised Estimates, 1962-63, which is less than the figure of the Capital-at-charge assumed in the Budget Estimate, and also due to other normal variations.

15. The table below gives the principal financial figures of the current year according to the Revised Estimate, as compared with the Budget Estimate and the actuals for the previous year:—

(In crores of rupees)

	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63
TRAFFIC RECEIPTS			
Gross Traffic Receipts	500·50	545·36	**549·62**
WORKING EXPENSES			
Ordinary Working Expenses	325·33	356·80	**363·14**
Appropriation to Depreciation Reserve Fund	65·00†	67·00†	**67·00†**
Payments to Worked Lines	0·18	0·14	**0·14**
TOTAL WORKING EXPENSES	390·51	423·94	**430·28**
Net Traffic Receipts	109·99	121·42	**119·34**
MISCELLANEOUS TRANSACTIONS			
Receipts	2·64	0·19	**0·77**
Expenditure	12·88	16·54	**15·68**
Net Miscellaneous Expenditure	10·24	16·35	**14·91**
Net Railway Revenues	99·75	105·07	**104·43**
Payments to General Revenues:			
(*i*) Dividend to General Revenues	62·85¶	69·35¶	**68·73¶**
(*ii*) Payment in lieu of tax on passenger fares	12·50	12·50	**12·50**
NET GAIN OR SURPLUS	24·40	23·22	**23·20**
Operating ratio	78·0%	77·7%	**78·3%**

†Represents depreciation provision made from Revenue and not that in respect of manufacturing units, which, under the extant procedure, is charged to Workshop Manufacture Account (Capital).

¶At 4·25% on the Capital-at-charge.

SURPLUS AND FUNDS

16. The surplus now expected for the current year comes to 23·20 crores, which is practically the same as that anticipated at the time of

the Budget Estimate. The differences which have cancelled out, are made up of an increase of 4·26 crores in Gross Traffic Receipts and of 0·58 crore in Miscellaneous Receipts, offset by an increase of 6·34 crores in Working Expenses, and a reduction of 0·86 crore under 'Miscellaneous Expenditure' and 0·62 crore in the quantum of dividend payable to the General Revenues. The aforesaid surplus of 23·20 crores is just sufficient to meet the average annual expenditure in the Third Plan of about 23·00 crores, on present anticipations, on works chargeable to Development Fund which is built up entirely from the Railway surpluses.

17. The Depreciation Reserve Fund opened with a balance of 29·19 crores. The accretion to the Fund during the year will be 67·00 crores from Revenue in terms of the accepted recommendation of the Railway Convention Committee, 1960, and 1·10 crores on account of contribution relating to the Chittaranjan Locomotive Works and the Integral Coach Factory, and 1·04 crores as interest accruing on the balance. With an anticipated withdrawal of 70·00 crores during the year, the balance in the Fund at the end of 1962-63 is expected to stand at 28·33 crores.

The Revenue Reserve Fund opened with a balance of 55·37 crores; an amount of 2·03 crores will accrue to the Fund by way of interest during the year. There would be no transaction during the year, and consequently the Revenue Reserve Fund would be intact with a balance of about 57·40 crores at the end of 1962-63.

The opening balance in the Development Fund was 10·49 crores. This has decreased by 0·37 crore, taking into account the write back from Capital of certain works erroneously transferred to Capital in the year 1961-62 and the proposed adjustment of the cost of a new line (Bobbili-Salur) to Capital as it has since been assessed to be remunerative. Thus, the total opening balance in the Fund was 10·12 crores. The appropriation to the Fund from the Revenue surplus in 1962-63 is expected to be 23·20 crores, according to the Revised Estimate, and the interest accruing on the fund balance will be 36 lakhs. The total amount available in the Fund will, thus, be 33·68 crores, against an estimated withdrawal of 22·97 crores. The Fund thus is expected to close with a balance of about 10·71 crores at the end of 1962-63.

BUDGET ESTIMATES, 1963-64

TRAFFIC RECEIPTS

18. The estimate of Passenger Earnings in 1963-64 has been placed at 172·50 crores *i.e.*, 5·25 crores higher than in 1962-63, taking also into account the fact that the current rates, which were introduced on 1st July, 1962 and applied for only 9 months in 1962-63 would be effective during the whole of 1963-64. The substantial rise in the passenger traffic which has occurred during the first two years of the Third Plan may not recur and this estimate of Passenger Earnings takes note of the latest trends.

The estimate of Other Coaching Traffic in 1963-64 has been placed at 34·80 crores—an increase of 3·30 crores over the Revised Estimates for 1962-63. This takes into account an increase of 2 crores, consequent on the proposed levy of a 10 per cent surcharge in respect of Parcels traffic other than vegetables, milk and newspapers proposed from 1st April, 1963, and the increase in the defence traffic.

The Budget Estimate of Goods Earnings for 1963-64 has been placed at 379 crores—an increase of 41·45 crores over the Revised Estimate figure of 337·55 crores. This corresponds to an anticipated increase of originating traffic, within the increased capacity to carry a further 17 million tons in 1963-64, over 1962-63, and also reflects the full year effect of the Revised Freight Structure introduced from 1st July, 1962, as well as the proposed increase in the surcharge from 5 to 10 per cent with effect from 1st April, 1963 on all Goods traffic excepting Railways' own traffic, Postal and Military Traffic. The Postal and Military rail traffic are governed by separate tariffs which are revised periodically (recently revised from 1st April, 1961 and 1st January, 1962, respectively). The proposed increase in the surcharge is expected to bring in additional earnings of 17 crores during 1963-64.

Sundry Earnings in 1963-64 have been placed at the same level of 14 50 crores as in 1962-63. Providing 1·11 crores for Suspense, representing the net unrealised earnings, the Budget Estimates for Gross Traffic Receipts during 1963-64 have been placed at 599·69 crores.

The Budget Estimates of Gross Traffic Receipts for 1963-64 are given below, alongside the Budget and the Revised Estimates for 1962-63 and the actuals for 1961-62:—

(In crores of rupees)

	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	**Budget Estimate, 1963-64**
Passenger Earnings.				
Upper	17·55	19·00	19·30	**20·04**
Third	133·33	147·46	147·95	**152·46**
Other Coaching Earnings . .	29·10	29·00	31·50	**34·80**
Goods Earnings . . .	306·90	337·55	337·55	**379·00**
Sundry Other Earnings . .	13·61	13·50	14·50	**14·50**
TOTAL EARNINGS . . .	500·49	546·51	550·80	**600·80**
Suspense . . .	+0·01	—1·15	—1·18	**—1·11**
GROSS TRAFFIC RECEIPTS . .	500·50	545·36	549·62	**599·69**

WORKING EXPENSES

19. The Gross Budget Estimate of Ordinary Working Expenses for the year 1963-64 has been placed at 433·76 crores, or 15·02 crores more than the Revised Estimate for 1962-63. This increase includes a provision for increased staff expenditure of 3·11 crores, comprising the net effect of annual increments, full year's effect of the increases due to the grant of Night Duty Allowance to certain categories of staff and weekly paid rest to casual labour (3·51 crores), the minimum unavoidable appointments of additional staff consequent on the anticipated increase in traffic, changes

in personnel, staff training, etc. (2·95 crores), offset partly by savings of 2·35 crores due to less retirements anticipated in the budget year following Government's decision to raise the age of compulsory retirement and non-recurrence of arrear contributions to the Provident Fund accounts of certain temporary employees as provided for in 1962-63.

The increase of 3·71 crores under Repairs and Maintenance is mainly under Way and Works, Rolling stock, Electrical Services and Signal & Telecommunication Services, to cover greater expenditure on the maintenance of track, particularly necessary in the context of ensuring maximum safety to running trains as well as maintenance of mileages of track to be taken over after completion, etc; additional provision required to undertake periodical overhauls and other repairs to rolling stock, increased expenditure on electrical and signal & telecommunication services for the essential maintenance of the existing and new equipment commissioned to service.

An increase of 5·79 crores provided for under 'Fuel' is mainly to cover the additional requirement arising from the anticipated increase in traffic. This includes provision for additional coal to be consumed in sections under steam traction and extra consumption of electric energy with the energising of certain sections on Eastern and Southeastern Railways, and the provision for the projected expansion of diesel traction, apart from full year's provision, required in 1963-64, on account of increase in prices of coal which were effective for only part of the year in 1962-63.

An increase of 2·41 crores is provided under Operating and Miscellaneous expenses, mainly to cover provision for increased payments for compensation for goods lost or damaged, arising from the assumption of carrier liability the effect of which was not fully felt in the initial stages, that is, during the current year, as also for more expenditure on account of Emergency and civil defence measures, etc.

The increase in net expenditure in 1963-64 over 1962-63 is 15·90 crores, or 88 lakhs more than the gross increase of 15·02 crores. This is mainly due to M/s. Tatas not requiring any electric current from the Central Railway Chola Power House according to the anticipations at this stage, as also due to other variations under Suspense, etc.

The appropriation to Depreciation Reserve Fund in 1963-64, on the basis of the recommendations of the Railway Convention Committee, 1960, should be 70 crores, recording an increase of 3 crores over the appropriation of 67 crores during 1962-63. The budget proposals, however, cover a modification of the "Convention", by enhancing the appropriation to the Depreciation Reserve Fund by ten crores in 1963-64 and by similar additions in each of the later two years of the Third Plan. Considering that the Railway Depreciation Reserve Fund, in effect, is a combined Depreciation and Renewal Reserve Fund, which has to meet the entire expenditure on replacements, the proposed additional contribution is no more than what is reasonably required, keeping in view also the progressive modernisation of Railway assets and the consequent need to make additional provision for obsolescence, etc., on a long term view. Accordingly, an amount of 80 crores is proposed to be credited to the Fund during 1963-64. The additional amount of 10 crores, not being immediately required for railway purposes, will be "Savings" available for the ways and means position of the Government, while at the same time strengthening the balance in a Railway Fund.

20. The Budget Estimate of working expenses for 1963-64 under different demands are given below, alongside the Revised Estimate for the current year and the actuals for the previous year:—

(In crores of rupees)

	Actuals, 1961-62	Revised Estimate, 1962-63	**Budget Estimate, 1963—64**
Demand No. 4—Administration	37·72	41·51	**42·81**
Demand No. 5—Repairs & Maintenance . . .	119·45	132·99	**137·82**
Demand No. 6—Operating Staff	73·71	82·73	**85·38**
Demand No. 7—Operation (Fuel)	78·54	86·32	**92·11**
Demand No. 8—Operation other than Staff and Fuel .	25·08	28·62	**29·77**
Demand No. 9—Miscellaneous Expenses . .	32·00	34·27	**32·21**
Demand No. 10—Labour Welfare	10·49	12·30	**13·66**
TOTAL .	376·99	418·74	**433·76**
Credits or recoveries	—51·66	—55·60	**—54·72**
NET . .	325·33	363·14	**379·04**
Appropriation to Depreciation Reserve Fund . .	65·00	67·00	**80·00**
Payments to Worked Lines	0·18	0·14	**0·14**

21. The increases in Working Expenses provided in the Budget Estimates for the ensuing year, over the Revised Estimates for 1962-63, under each Demand are analysed below in some further detail:—

Demand No. 4—Administration.—The anticipated increase of 129·92 lakhs represents the net effect of annual increments (66·20 lakhs), minimum unavoidable increases to cover inescapable appointments of additional staff, in essential categories incidental to additional traffic anticipated in 1963-64 including normal security staff charged to this Demand, normal variations in contingent charges, police charges, etc., including variations arising from changes in personnel, leave salary, allowances, etc. (63·72 lakhs). The non-recurrence of arrears, paid in 1962-63, for increased dearness allowance for the back period from 1-11-1961 and on account of redistribution of higher grades of posts in certain cadres have also been taken into account.

Demand No. 5—Repairs and Maintenance.—The anticipated increase of 482·93 lakhs includes the net effect of annual increments of repairs and maintenance staff (91·40 lakhs) and full year's provision for weekly paid rest to casual labour and payment of night duty allowance to certain categories of staff which apply only for a part of the year 1962-63 (20·89 lakhs); the residual increase of 370·64 lakhs is the result of the following variations:—

There is an increase of 66·32 lakhs under 'Maintenance of Way and Works', to cover inescapable appointments of additional staff required for

improved maintenance of existing track, particularly necessary in the context of ensuring maximum safety to running trains as well as maintenance of new mileages of track, doublings, yards, etc., to be taken over after completion in the budget year, unavoidable increased expenditure on ballast earthwork, repairs to bridges and tunnels, machinery, tools and plants, etc. (112·17 lakhs), offset by savings of 25·00 lakhs due to reduced repairs through economising in repairs to service and residential buildings as part of the general measures of economy adopted during the emergency, and of 20·85 lakhs in the hope that there will be no recurrence, in 1963-64, of expenditure on repairs to flood damage that had to be incurred in 1962-63. Out of 199·77 lakhs under 'Maintenance of Rolling Stock' 136·82 lakhs represents provision for increased out-turn of Rolling Stock from Railway Workshops after periodical overhauls, which could not be carried out to the extent provided for in the Budget for 1962-63, resulting in carry over to the ensuing year, so as to ensure fully adequate maintenance standards, especially in the present context, 46·96 lakhs for more running repairs to stock resulting from increased movements on account of additional traffic anticipated in 1963-64 and 15·99 lakhs representing expenditure on repairs to machinery, plants in the shops and sheds, etc. A small increase of 0·84 lakh is required under 'Maintenance of Ferry Steamers and Harbours' for repairs to crafts and barges considered essential. The increase of 55·30 lakhs under 'Maintenance of Electrical Services' represents provision for additional staff and materials required for essential maintenance of more electrical installations on all the Railways and expansion of electrical traction services on the Eastern and Southeastern Railways (39·25 lakhs), increased expenditure anticipated in the repair out-turn of electric locomotives and multiple unit stock (16·05 lakhs). The increase of 36·72 lakhs under 'Maintenance of Signal and Telecommunication services' is towards additional staff and materials for the essential maintenance of the newly opened interlocked stations, etc. The increase of 11·69 lakhs under 'Other Expenses' is mainly on account of inescapable requirements of purchase of more tarpaulins, tools, plants, machinery, equipment, etc. The increases provided for under these heads are after taking into account the non-recurrence, in 1963-64, of arrears amounting to 99·10 lakhs on account of increased dearness allowance for the back period from 1-11-1961, paid during 1962-63.

Demand No. 6—Operating Staff.—The anticipated increase of 265·36 lakhs consists of 125·65 lakhs to cover the net effect of annual increments, 31·16 lakhs due to full year's provision for payment of night duty allowance to certain categories of staff, as also for the grant of weekly paid rest to casual labour applicable only for a part of the current year; and the balance for appointment of additional staff to handle the anticipated increase in traffic and to main new stations, yards, etc. and the anticipated energisation of certain sections of Eastern and Southeastern Railways, variations under travelling and running allowances, etc. The increases under this Demand are after taking into account non-recurrence, in 1963-64, of payment of arrears amounting to 102·31 lakhs on account of increased rates of dearness allowance for the back period from 1-11-1961 paid in 1962-63.

Demand No. 7—Operation (Fuel).—The increase of 579·59 lakhs under this Demand covers the additional provision of 434·81 lakhs under 'Cost of other fuel', to cover the increased diesel traction services on Central, Eastern, Northern, Southeastern and Western Railways, and for the introduction of these services over parts of the Southern Railway, of 92·97

lakhs under 'Cost of electric current for traction purposes' due to the increased electric traction services anticipation on Eastern and South-eastern Railways, to cope with the increase in traffic, the balance covering the increases in respect of steam traction, including the full year effect of the increase in prices under the cost of coal, which was only operative for part of the year during 1962-63, variations in the quantum of 'Subsidy' in respect of sea-borne coal and other variations in freight and handling charges, as also the effect, on steam traction, of the introduction of the diesel traction over certain sections.

Demand No. 8—Operation other than Staff and Fuel.—The anticipated increase of 114·74 lakhs under this demand in mainly due to the full effect of the assumption of carrier liability being provided for in 1963-64, while during 1962-63 it was felt only partially as was to be expected in the initial stages (140·40 lakhs), provision for the increased running expenditure on Electrical Services due to the electrification of more stations, yards, quarters, workshops, sheds, etc. (38·08 lakhs), increased consumption of miscellaneous stores due to anticipated increase in traffic generally (21·45 lakhs), aggregated minor variations in handling and other charges corresponding to the anticipation of increase in traffic (17·01 lakhs); offset partly by savings due to less debits from stock adjustment account, payment to Port Trust Railways, etc. (102·20 lakhs).

Demand No. 9—Miscellaneous Expenses.—A saving of 206·06 lakhs is anticipated under this demand as compared to the Revised Estimate. This is on account of non-recurrence, in 1963-64, of the arrear Government contribution to the Provident Fund accounts of certain temporary employees credited in 1962-63 as this is not a recurring item of expenditure with all new entrants since 16-11-1957 coming under the pensionary scheme (107·16 lakhs) less expenditure anticipated under 'Gratuities and Special Contribution to Provident Fund' (139·28 lakhs) and 'Pensionary charges' (85·07 lakhs) due to less retirements anticipated as a result of Government's decision to raise the age of compulsory retirement and aggregate of minor savings under the other heads (15·34 lakhs); counter-balanced partly by increases due to more expenditure anticipated in 1963-64 on account of Emergency and Civil Defence measures, etc. (105·79 lakhs), full year's provision required in 1963-64 for catering units started in the course of the current year and further expansion of departmental catering (10·56 lakhs) and more debits anticipated to be routed through Suspense (24·44 lakhs). The sales from the catering units, it may be mentioned, are taken under Sundry earnings and not as reduction of expenditure.

Demand No. 10—Labour Welfare.—There is an increase of 136·02 lakhs under this demand, of which 12·75 lakhs is on account of the net effect of the annual increments, 51·68 lakhs due to opening of additional health units, dispensaries, etc., enhanced expenditure on medicines, diet charges, etc., on account of additional beds as well as on account of the need for keeping emergency stocks of medicines and life saving drugs in the present context, 10·93 lakhs under 'Health and Welfare Services' for the unavoidable extension of sanitary services, including increased provision for conservancy charges, etc., 47·78 lakhs for essential staff training facilities required in view of the anticipated increase in traffic and other ancillary activities in the present Emergency; and 12·88 lakhs under 'Canteens and other staff amenities' for the taking over fo canteens attached to workshops, etc. The increases provided for under this head are after taking into account the non-recurrence, in 1963-64, of arrears (10·05 lakhs) on

account of dearness allowance for the back period from 1-11-1961 paid during 1962-63.

22. There is no variation under payments to worked lines, the expenditure in respect of which is expected to be of the same order of 14 lakhs in 1963-64 as in the current year.

MISCELLANEOUS TRANSACTIONS

23. The result of the Miscellaneous Transactions for the budget year is expected to be a net expenditure of 16·40 crores, as shown below:—

(In lakhs of rupees)

	Actuals, 1961-62	Revised Estimate, 1962-63	**Budget Estimate 1963-64**
RECEIPTS			
Guarantees recoverable from State Governments for unremunerative lines	..	..	..
Other receipts from Subsidised Companies	3	2	2
Miscellaneous Railway Receipts	2,61	75	24
TOTAL RECEIPTS	2,64	77	26
EXPENDITURE			
Subsidy	12	14	**17**
Land	..	..	..
Surveys	10	50	**49**
Miscellaneous Railway Expenditure	3,06	3,27	**3,50**
Open Line Works—Revenue	9,60	11,77	**12,50**
TOTAL EXPENDITURE	12,88	15,68	**16,66**
Net Miscellaneous Expenditure	10,24	14,91	**16,40**

The increase of 1·49 crores under Net Miscellaneous Expenditure in 1963-64, over the Revised Estimate in 1962-63 of 14.91 crores, comprises a decrease of 51 lakhs under Miscellaneous Receipts and an increase of 98 lakhs under Miscellaneous Expenditure.

The variation under Miscellaneous Receipts is due mainly to non-recurrence, in 1963-64, of the fortuitous accretion to Revenue, of Government contribution to the Provident Fund accounts of the staff opting for pension scheme, as the last date of option, on present reckoning, will expire finally on 31-3-1963. The increase of 98 lakhs under Miscellaneous Expenditure is mainly due to the fact that the anticipated expenditure on Open Line Works chargeable to Revenue in 1963-64 is expected to be 12·50 crores, against 11·77 crores in the Revised Estimate for 1962-63, keeping in view the allotment of 60 crores for such works made in the Third Plan period as a whole; as also on account of an increase of 23 lakhs under Other Miscellaneous Expenditure, owing to the programmed expansion of the activities of the Research Designs and Standards Organisation, and minor variations under Surveys and Subsidy.

DIVIDEND TO GENERAL REVENUES

24. The estimate of Dividend to General Revenues is placed at 80·61 crores, taking into account the estimated capital outlay during 1963-64 of 218·50 crores, as also the Budget proposals for modifying the present 'Railway Convention' by the enhancement in the rate of Dividend payable to General Revenues from 4·25 to 4·50 per cent in 1963-64 and in the later two years of the Third Plan period; this is proposed in the present context of the need of the General Exchequer for additional resources for the Defence effort and keeping also in view the increase in the borrowing rate of the Central Government from 4 to 4·25 per cent and the average rate of interest on Government loans from 3·37 to 3·77 per cent since the Railway Convention Committee, 1960, made their recommendations. In addition, as done in 1961-62 and 1962-63, an amount of Rs. 12.50 crores has to be paid to the General Revenues in lieu of the tax on passenger fares with effect from 1st April, 1961 in accordance with the accepted recommendations of the Railway Convention Committee, 1960.

25. A summary of the anticipated financial results of 1963-64, in juxtaposition with the Revised Estimates of the current year and the actuals for the previous year, is given below:—

(In crores of rupees)

	Actuals, 1961-62	Revised Estimate, 1962-63	**Budget Estimate, 1963-64**
TRAFFIC RECEIPTS			
Gross Traffic Receipts	500·50	549·62	**599·69**
WORKING EXPENSES			
Ordinary Working Expenses	325·33	363·14	**379·04**
Appropriation to Depreciation Reserve Fund	65·00£	67·00£	**80·00£**
Payments to Worked Lines	0·18	0·14	**0·14**
TOTAL WORKING EXPENSES	390·51	430·28	**459·18**
NET TRAFFIC RECEIPTS	109·99	119·34	**140·51**
MISCELLANEOUS TRANSACTIONS			
Receipts	2·64	0·77	**0·26**
Expenditure	12·88	15·68	**16·66**
NET MISCELLANEOUS EXPENDITURE	10·24	14·91	**16·40**
NET RAILWAY REVENUES	99·75	104·43	**124·11**
Payments to General Revenues—			
(*i*) Dividend to General Revenues	62·85*	68·73*	**80·61†**
(*ii*) Payment in lieu of tax on Passenger Fares	12·50	12·50	**12·50**
NET GAIN OR SURPLUS	24·40	23·20	**31·00**
Operating Ratio	78·0%	78·3%	**76·5%**

£Represents depreciation provision made from Revenue and not that in respect of the manufacturing units, which under the extant procedure, is charged to Workshop Manufacture Account (Capital).

*At 4·25 per cent on the Capital-at-charge.

†At 4·50 per cent on the Capital-at-charge.

SURPLUS AND FUNDS

26. The surplus anticipated in 1963-64 is 31·00 crores, and is proposed to be credited to the Development Fund. The withdrawal from the Fund in the Budget year (1963-64) will be of the order of 26·00 crores, against the credit of 31·00 crores from the surplus and 50 lakhs on account of interest accruing on the balance in the Fund. The Fund is expected to close with a balance of 16·21 crores at the end of 1963-64. The net accretion to the Fund in 1963-64 (of over 5 crores), while strengthening the Railway Development Fund, will also constitute 'Savings' available in the balances of the General Exchequer, to augment the ways and means position of Government.

27. The Depreciation Reserve Fund is anticipated to open with a balance of 28·33 crores in the year 1963-64. The Fund will, according to the budget proposals, receive a credit of 80·00 crores from Revenue in 1963-64, 1·06 crores from the Chittaranjan Locomotive Works and Integral Coach Factory and an interest of 1·31 crores on the balance in the Fund. The withdrawals from the Fund during 1963-64 are estimated to be of the order of 68·00 crores, leaving a balance of 42·70 crores at the close of the year. This increased balance will give the necessary further strengthening to the Railway Depreciation Reserve Fund, while, at the same time augmenting for the time being, the ways and means position of Government.

It is not expected that there will be any accretion to, or withdrawal from, the Revenue Reserve Fund which with the addition of interest of 2·17 crores during 1963-64, is expected to close with a balance of 59·57 crores at the end of that year.

28. A detailed, year-wise account of the three Funds is given in Appendices VIII to X to this Memorandum.

PART II

EXPENDITURE ON THE WORKS, MACHINERY AND ROLLING STOCK PROGRAMME OF RAILWAYS

ACTUALS, 1961-62

29. The Revised Estimate of Works, Machinery and Rolling Stock Programme for 1961-62 was fixed at 264·68 crores, inclusive of a Supplementary of 22·79 crores under Demand No. 16—Open Line Works—Additions—which, however, was not pressed subsequently, in view of a later assessment. The actuals came to 233·88 crores, due to difficulties in procurement of track materials for line capacity works, time taken in negotiating the most advantageous terms of procuring diesel locomotives from abroad, etc.

REVISED ESTIMATES, 1962-63

30. The Budget programme for the current year, of Rolling Stock, Machinery, Works, New Lines, Electrification Projects, etc., envisaged a net expenditure of 295·00 crores. A small Supplementary Grant of 7·75

lakhs—more or less token provision to cover items of 'new service' or 'new instrument of service' requiring to be brought specifically to Parliament's notice—was obtained subsequently, in August and November, 1962. This made a total net modified grant of 295·08 crores (295·00+0·08). The Supplementary token Grant of 5 lakhs obtained in August 1962 was to make a start, in the course of the year, on certain large works, *viz.* (new instruments of service), doubling the remaining 48 miles between Bina and Bhopal on the Central Railway, doubling in coalfield area (i) Sonachara-Topsi, (ii) Dhanbad-Lodna, (iii) Gomoh-Chandrapura, and (iv) Phusro-Bhandaridah on the Eastern Railway, doubling of 55 miles between Tuni and Gopalapatnam on Waltair-Samalkot section on the Southern Railway and patch doubling of 23 miles on Phulera-Jaipur section (a) Jaipur-Urgawas and (b) Hirnoda-Phulera, and doubling of 25·25 miles between Ujjain and Maksi on Bhopal-Ujjain section on the Western Railway, for improving line capacity on these Railways following a clearer picture in regard to the fieldwise production and direction-wise movement of the increased coal raisings having become available since the Budget. The Supplementary Grant obtained in November 1962 included a token provision of fifty thousand to cover specifically the construction of a new B.G. line—Morwa (adjacent to Singrauli) to Katni—to serve the Singrauli Coalfields, and also included an amount of 2·25 lakhs to recoup an advance taken from the Contingency Fund of India towards the purchase of the Alnavar-Dandeli Railway line from Mysore State Government, which being in the nature of 'New Service' was brought specifically to Parliament's notice even though the amount is small. The Revised Estimate now fixed, in consultation with the Ministry of Finance, is 307·74 crores, or an increase of 12·66 crores (Net) over the modified Budget grant. While there has been reduced expenditure under certain demands, it is necessary to cover the likely additional requirements under other demands, for which a total of 21,06,97 thousand in the gross is included in the Supplementary Demands for Grants (Voted and Charged Expenditure). Taking all the Works Grants together and the savings under some of them, the overall additional requirements of funds in the net (*i.e.* after allowing for credits), as now fixed, in consultation with the Ministry of Finance, is 12·66 crores, over the net modified budget grant of 295·08 crores already referred to.

Rolling Stock and Machinery, for which 113·60 crores and 4·09 crores respectively were provided in the Budget, are now likely to require a provision of 110·65 crores and 4·12 crores respectively, *i.e.*, a net decrease of 2·92 crores, made up of decrease of 2·95 crores under Rolling Stock and a small increase of 3 lakhs on Machinery. The reduced expenditure now anticipated is according to the latest position as now assessed in regard to deliveries against supply orders, etc. Under 'Stores', 'Manufacture Suspense' and 'Miscellaneous Advances' balances, there is an increase of 12·30 crores, due mainly to expectation of more receipts of materials than initially anticipated. There is also an increase of 6·25 crores under new construction and open line works, etc. taken together, mainly under track renewal works, to cover the expectation of acceleration of certain works as a result of improved availability of track materials, which also takes note of the likely progress upto the end of the current year on the basis of the present anticipations, etc. Under 'Investment in Road Services' there is a decrease of 1·18 crores due to less share of investment of the Central Government than anticipated in view of the slower progress in the expansion of the State Road Transport Corporations. There is an increase also under credits for released materials, etc., of about 1·79 crores. The broad distribution by Plan heads of the aggregate

Revised Estimate of 307·74 crores for Works, Machinery and Rolling Stock, is given below, in juxta-position with the corresponding distribution of the aggregate grant of 295·08 crores.

(In lakhs of Rupees)

	Particulars (according to Plan Heads)	Budget Grant as modified 1962-63	Revised Estimate, 1962-63
1.	Rolling Stock (excluding stock provided as part of Electrification Projects)	113,60	110,65
2.	Machinery and Plant	4,09	4,12
3.	Track Renewals	38,59	48,87
4.	Bridge Works	5,35	5,41
5.	Traffic facilities	59,52	60,78
6.	Signalling and Interlocking Works etc.	7,54	5,80
7.	Workshops (including manufacturing units namely Diesel Locomotive Works, Chittaranjan Locomotive Works and Integral Coach Factory and excluding those provided as part of Electrification Projects)	11,01	9,23
8.	Electrification (includes also electric Rolling Stock)	8,95	10,37
9.	Other Electrical Works	1,85	62
10.	Staff Quarters	7,96	7,40
11.	Amenities for staff	2,66	2,93
12.	Passenger and Other Railway User's amenities	2,38	2,67
13.	New Lines	41,18	39,88
14.	Restoration of dismantled lines	6	2
15.	Other specified works	2,59	1,91
16.	Purchase of Railway Lines	2	2
17.	Investment in Road Services	2,18	1,00
18.	Increase or decrease in balances under—		
	(*a*) Stores Suspense	—28	9,57
	(*b*) Manufacture Suspense	—3,18	—1,53
	(*c*) Miscellaneous Advances	—2,00	—1,20
19.	Credits or recoveries :		
	(*a*) Credits for released materials	—8,91	—10,38
	(*b*) Other credits	—8	—40
	TOTAL	295,08	307,74

31. The distribtuion demandwise, showing the variations from the Sanctioned Grant under the relevant Demand heads is given below:—

(Figures in lakh s of rupees)

Demand No.		Budget Grant (1962-63) as modified by Supplementaries obtained in August and November, 1962	Revised Estimate, 1962-63
13.—Open Line Works (Revenue)— Labour Welfare	Gross	1,49	1,71
	Credits	..	..
	Net	1,49	1,71
14.—Open Line Works (Revenue) Other than Labour Welfare	Gross	11,01	10,07
	Credits	..	—1
	Net	11,01	10,06
15. Construction of New Lines	Gross	51,64	51,73
	Credits	—7	—27
	Net	51,57	51,46
16.—Open Line Works—Additions	Gross	358,11	370,18
	Credits	—253,14	—258,88
	Net	104,97	111,30
17. Open Line Works—Replacement	Gross	111,95	120,63
	Credits	—8,91	—10,39
	Net	103,04	110,24
18. Open Line Works—Development Fund.	Gross	23,00	22,99
	Credits	..	—2
	Net	23,00	22,97
TOTAL	Gross	557,20	577,31
	Credits	—262,12	—269,57
	Net	295,08	307,74

In respect of Demands No. 13, 15, 16 and 17, the variations from the 'Gross' Budget (*i.e.*, excluding 'Credits or recoveries' which are taken in reduction of expenditure outside the gross amount of the grant) have been explained in the Supplementary Demands. The position under Demands No. 14 and 18 is explained below:—

Demand No. 14—*Open Line Works (Revenue) —Other than Labour Welfare.*—Against the Budget Grant of 11.01 crores, the Revised Estimate has been fixed at 10.07 crores, involving a reduction of 94 lakhs under this Grant, which is sufficient to cover the progress actually made on certain works and on the basis of latest known delivery position of Machinery and Plant under this demand.

Demand No. 18.—Open Line Works—Development Fund.—The Revised Estimates under this Demand have been placed at practically the same level as the Budget Grant *viz.* 23.00 crores.

BUDGET ESTIMATES, 1963-64

32. From the financial year commencing from 1st April, 1963, *viz.* the Budget for 1963-64, certain changes in the structure of the Demands for Grants in respect of works expenditure have been incorporated. These changes have been made, in consultation with the Comptroller & Auditor General of India and the Ministry of Finance, with the object of simplification and obviating avoidable inflation of the quantum of the gross demand by avoiding multiple budgeting of the same items in the gross amount. The changes incorporated are the following:—

(A) The former Demand No. 13—Open Line Works—Revenue—Labour Welfare and the former Demand No. 14—Open Line Works—Revenue—Other than Labour Welfare, both being chargeable to the same Revenue head, have been combined into a single demand, referred to now as Demand No. 13—Open Line Works—Revenue, with the following detailed heads:

(a) Labour Welfare Works

(i) Staff Amenities

(ii) Staff Quarters.

(b) Other Works.

The works hitherto charged to Demand No. 13 are shown against the detailed head 'Labour Welfare Works' and those charged to Demand No. 14—Open Line Works—Revenue—Other than Labour Welfare, included under the detailed head 'Other Works' in the new Demand referred to.

(B) The former Demands No. 16 & 17—Open Line Works—Additions—and Open Line Works—Replacements—respectively, have been merged into a single demand, referred to now as Demand No. 15—Open Line Works—Additions and Replacements.

(C) In order that multiple budgeting for the same item in the system of gross budgeting is reduced to the minimum and inflation of the gross demand obviated to the extent possible, issues from 'Manufacture Suspense' to Works and Services, funds for which are provided *within the same Demand* as the 'Manufacture Suspense' head, are taken as a reduction of 'Debt' for the purposes of Gross Budgeting (as was done in the case of 'Stores Suspense' with effect from 1-4-1960) *and not as a 'Credit' outside the gross demand, as in the earlier year.* In the case of 'Stores Suspense' also, issues for fabrication, etc., *viz., to* 'Miscellaneous Advances Capital' *within the same demand,* are taken in reductions of 'Debt' for the purposes of Gross Budgeting.

During 1963-64, this change has the effect of reducing the amount of the gross demand by approximately 68 crores.

Consequent on the changes referred to above, the Demands for Grants for expenditure of the Central Government on Railways have been renumbered. The table below indicates, in juxtaposition, the numbering

on the Demands in force up to 1962-63 and effective from 1963-64 (commencing from Demand No. 13).

Number of Demand	Name of Demand 1962-63	Number of Demand	Name of Demand 1963-64
		1 to 12—No Change	
13	Open Line Works (Revenue—Labour Welfare	13	Open Line Works (Revenue).
14	Open Line Works (Revenue)—Other than Labour Welfare . . .		
15	Construction of New Lines .	14	Construction of New Lines.
16	Open Line Works—Additions .	15	Open Line Works—Additions & Replacements.
17	Open Line Works—Replacements		
18	Open Line Works— Development Fund	16	Open Line Works—Development Fund.
19	Repayment of Loans from General Revenues and interest thereon—Development Fund.	17	Repayment of Loans from General Revenues and interest thereon—Development Fund.
20	Appropriation to Development Fund	18	Appropriation to Development Fund.
21	Appropriation to Revenue Reserve Fund.	19	Appropriation to Revenue Reserve Fund.
22	Withdrawal from Revenue Reserve Fund.	20	Withdrawal from Revenue Reserve Fund.

33. The Third Plan, as formulated in 1961, envisaged a rail transport target of 245 million originating tons of freight traffic; the cost of the railway development programme in relation to this target was indicated as 1325 crores. Since then, a clearer picture has emerged in regard to the field-wise production and direction-wise movement of coal. Rail capacity required for short lead movements of raw coal to washeries—preceding their movement to the steel plants and other final consumers, takes the necessary movement target up to 250 million originating tons. The revised pattern of coal movement involves increased movement over certain of the major trunk routes. Allowing for these and also for certain preparatory work to be undertaken for a larger movement of general goods, an additional outlay of 145 crores has been approved by the Planning Commission for the Railway expansion and development programme, thus increasing the approved outlay for the Railways to 1470 crores. The increased provision of 145 crores referred to is made up of 120 crores for coal movement and 25 crores towards the most urgent part of the requirements formulated by the Railways for the increased general goods traffic in the Third Plan, as well as for the time-consuming preparatory measures to be initiated now for the increasing coal traffic, particularly in the early period of the Fourth Plan. The cost of the Railways' programmes in the Third Plan, to cater for the increased freight traffic target will substantially exceed the outlay of 1470 crores, so far approved in favour

of the Railways and will be of the order of 1535 crores, if the Railways are to equip themselves fully for the general goods traffic which is expected to exceed the earlier Plan target for this category of traffic. The Capital Budget for the year 1963-64 takes into account all this revision of the Railways' programme of development. The Budget for the Rolling Stock, Works and Machinery Programme for the year 1963-64 is accordingly placed at 325 crores. The distribution of the amount fixed for 1963-64, under the broad categories of expenditure, is given below, indicating also the allocation between Capital, Depreciation and Development Funds and Open Line Works (Revenue):

(In lakhs of rupees)

Particulars (according to Plan Heads)	Capital	Depreciation Fund	Development funds	Open Line (Revenue)	Total
1. Rolling Stock (excluding stock provided as part of Electrification Projects) . . .	93,05	26,36	1	3	119,45
2. Machinery and Plant .	2,34	1,16	4	1,52	5,06
3. Track Renewals . . .	—1	53,23	16	12	53,50
4. Bridge Works . . .	2,49	3,09	45	28	6,31
5. Traffic Facilities . . .	53,11	3,56	9,78	4,93	71,38
6. Signalling and Interlocking Works, etc.	42	1,38	5,25	2,72	9,77
7. Workshops (including manufacturing units namely Diesel Locomotive Works, Chittaranjan Locomotive Works and Integral Coach Factory and excluding those provided as part of Electrification Projects) .	11,09	46	3,32	1,30	16,17
8. Electrification (includes also Electric Rolling Stocks) .	23,76	28	28	..	24,32
9. Other Electrical Works .	6	66	35	63	1,70
10. Staff Quarters . . .	1,27	17	6,17	74	8,35
11. Amenities for Staff .	1	4	2,61	76	3,42
12. Passenger and Other Railway User's Amenities . . .	..	..	3,26	..	3,26
13. New Lines . . .	43,67	..	..	..	43,67
14. Restoration of Dismantled Lines	2	..	2	..	4
15. Other specified works .	92	25	2,80	85	4,82
16. Investment in shares of Commercial Concerns . . .	2,48	..	..	..	2,48

(In lakhs of rupees)

Particulars (according to Plan Heads)	Capital	Depreciation Reserve Fund	Development Fund	Open Line Works (Revenue)	Total
17. Increase or decrease in balances under :					
(a) Stores Suspense	10,12	..	..	..	10,12
(b) Manufacture Suspense	—1,45	..	..	..	—1,45
(c) Miscellaneous Advances	—2,48	..	..	..	—2,48
18. Credits for released materials .	—1	—10,01	..	..	—10,02
TOTAL	240,86	80,63	34,50	13,88	369,87
Probable Savings	—22,36	—12,63	—8,50	—1,38	—44,87
NET	218,50	68,00	26,00	12,50	325,00

Of the net provision of 325 crores, an amount of 262.01 crores is for Works in Progress, including previously programmed deliveries of Rolling Stock and Machinery, etc., the balance (including credits for released materials and net transactions under 'Suspense' heads, etc.) of 62.99 crores is for New Works, New Acquisitions of Rolling Stock and Machinery, and Investment in shares of Commercial Concerns.

34. *Rolling Stock.*—Of the proposed expenditure of 119.45 crores to be adjusted in 1963-64, under Rolling Stock, 87.40 crores is for Programmed Deliveries and 32.05 crores for New Acquisitions. The expenditure anticipated under the different main categories of Rolling Stock is shown in the table below:

(In lakhs of rupees)

Particulars	Deliveries against 1963-64-Programme	Deliveries against earlier Programmes
Locomotives	7,60	19,32
Boilers	..	35
Carriages	2,04	21,68
Wagons	22,41	45,96
Ferries	..	9
TOTAL	32,05	87,40

(The Railway-wise distribution of the provision is given at pages 125-129 of Part of the Consolidated Works, Machinery and Rolling Stock Programme of Railways).

Out of the Rolling Stock valued at 119.45 crores referred to, 99.95 crores *i.e.*, about 84 per cent is proposed to be obtained from Railway Workshops and Manufacturing units and indigenous manufacturers.

35. The Programme of New Acquisitions (items included in the Budget for the first time) includes provision for the following units of Rolling Stock:

Particulars	To be obtained from abroad	To be obtained from indigenous sources	Total
(*a*) Locomotives—			
(*i*) Steam	..	274	274
(*ii*) Diesel	109	..	109
(*iii*) Electric	..	20	20
(*b*) Boilers (Steam)	..	9	9
(*c*) (*i*) Carriages	..	1,523	1,523
(*ii*) Rail Cars	..	57	57
(*iii*) Electric Multiple Units	..	174	17
(*d*) Wagons (in terms of 4 wheelers)	..	33,229	33,229
(*e*) Crane	..	..	..

36. *Machinery and Plant.*—The Budget provision for Machinery and Plant is 5.06 crores, which comprises 4.19 crores for Programmed Deliveries and 87 lakhs for New Acquisitions. The total commitment involved in respect of New Acquisitions of Machinery and Plant (both on Additional and Replacement account) is 3.47 crores, of which the expenditure proposed for the year 1963-64 is 87 lakhs.

Replacements of Machinery and Plant in 1963-64 Programme (New Acquisitions), as usual, will be made on condition basis, *i.e.*, only those items have been selected for replacement as have outlived their useful life and are beyond economic repairs.

A summary of the requirements of each Railway, under New Acquisitions as well as Programmed Deliveries, is given in pages 130-131 of Part I of the Consolidated Works, Machinery and Rolling Stock Programme of Railways.

37. *Construction of New Lines.*—The provision for the Construction of New Lines during 1963-64 is 69.44 crores.

(In lakhs of rupees)

S. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
1.	Igatpuri-Bhusawal Electrification Project (Central Railway)	26·42	60·00	1396·62	1966
2.	Diva-Panvel-Uran.— Construction of New Line (Central Railway)	166·07	110·00	28·68	1964
3.	Panvel-Apta.—Construction of New Line (Central Railway)	25·49	58·00	6·78	1964
4.	Parasia-Sirgora *vig.*,—Extension of Amla-Parasia line to Sirgora (Central Railway)	..	20·00	97·00	1965
5.	Butibori-Umrer.—Construction of new line to serve Umrer Coalfields (Central Railway)	..	40·00	236·00	1965
6.	Proposed Broad Gauge line to serve the area previously served by Baraset-Basirhat Light Railway (Eastern Railway).	222·06	8·00	26· 07	Opened to traffic on 9-2-1962.

(In lakhs of rupees)

S. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
7.	Provision of a new link between: Chandrapura—Bondamunda (Rourkela) (Eastern Railway)				
	(a) Chandrapura — Hatia Construction . . .	993·94	64·00	122·06	Opened to traffic on 22-3-61.
	(b) Hatia—Bondamunda Construction . . .	1103·65	431·70	38·86	1963
8.	Tildanga—Farakka (Eastern Railway) .	42·00	8·00	13·10	Opened to traffic on 9-11-60.
9.	Construction of Broad Gauge Railway line between Ghaziabad and Tuglakabad including Second Yamuna Bridge at Delhi (Northern Railway) .	114·81	120·00	116·63	1965
10.	Providing Goods Avoiding Lines in Delhi area to connect Delhi-Mathura Line with Shakurbasti and Shakurbasti with Badli (Ring Railway) (Northern Railway) .	46·07	100·00	96·95	1966
11.	Construction of New Line from Hindumalkot to Sriganganagar (Northern Railway) .	9·05	0·70	90·91	1966
12.	Construction of Madhopur-Kathua Rail Link (Northern Railway) . . .	102·19	38·19	37·01	1964
13.	Robertsganj-Garhwa Road Railway Project (Northern Railway) . . .	1643·59	80·00	410·26	1963
14.	Construction of Rail Link between Singrauli Coalfields and Obra on the new Robertsganj-Garhwa Road Line (Northern Railway) . . .	131·75	388·91	389·47	1965
15.	Construction of Morwa (Singrauli)-Katni Rail Line from Km. o. to Kms. 148 (Northern Railway) . . .	5·00	16·00	1430·04	1968
16.	Brahmaputra Bridge Project (Northeast Frontier Railway)	760·53	30·00	51·18	Made ready to take goods traffic on 31-10-62.
17.	Rangapara-Lakhimpur-Murkong Selek.—Construction Project (Northeast Frontier Railway) . . .	1483·88	379·75	1025·28	Rangapara-Dhalaibil Section opened to traffic on 10-3-1962, Dhalaibil-Lakhimpur Section opened on 10-6-1962. Rest likely to be opened to traffic in stages by 1966.

(In lakhs of rupees)

Sl. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
18.	Khejuriaghat—Malda New Line (Northeast Fronteir Railways)	356·11	5·00	6·67	Opened to traffic on 10-4-61.
19.	Kalkalighat—Dharmanagar New Line (Northeast Fronteir Railway) . . .	139·19	85·94	4·87	1963
20.	Electrification of Madras (Egmore) Tambaram-Villupuram Section (Southern Railway) .	143·43	158·95	144·92	September, 1964.
21.	Madras (Beach)—Tambaram Suburban Section.—Conversion from 1500 KV-DC to 25 KV-AC traction (Southern Railway) .	3·26	32·19	117·05	March, 1965.
22.	Bangalore-Salem Railway Construction Metre Gauge) (Southern Railway) .	46·52	100·00	653·48	
23.	Construction of New Line between Virudhunagar and Manamadurai (Metre Gauge) (Southern Railway) .	56·20	99·50	80·38	1964
24.	Mangalore—Hassan Railway Construction (M.G. length 128 miles) (Southern Railway) .	..	..	50·00	1931·00
25.	Provision of a branch line from Rourkela to Dumaro (Southeastern Railway) .	705·11	23·00	..	Opened to traffic on 19-4-60.
26.	Extension of Champa—Korba including additional facilities (Southeastern Railway) .	109·73	65·04	..	1964
27.	Baoridand—Karonji Construction (Southeastern Railway)	642·50	52·00	51·33	Opened to traffic on 1-10-1962.
28.	Railway Branch line to serve Korea Coalfields and Branch line from Karonji to Jayanagan (Section I) including Kunda sub-branch (Section II) leading to Block II and 'A' in C. I. C. fields (Southeastern Railway) .	225·30	45·58	15·98	Karonji Jayangar line opened to traffic on 1-10-62 A part of the line to Korea Coalfields opened to traffic on 22-2-62. Rest is likely to be opened to traffic during 1964.

*Tentative provision. It will be ensured that the construction of this line will be completed to fit in with the Transport Ministry's time schedule for the development of Mangalore Port.

(In lakhs of rupees)

Sl. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
29.	Naomundi—Banspani Construction (Southeastern Railway)	239·98	1·00	..	Opened to traffic on 16-4-1958.
30.	Rail Link to Haldia Port (Southeastern Railway) .	1·00	55·00	714·00	1966
31.	Construction of Morwa (Singrauli) Katni Rail Line from Kms. 148 to 256 (Southeastern Railway) . . .	..	15·20	1183·08	1968
32.	Jhund—Kandla Board Gauge link (Western Railway) .	6·08	1·00	792·92	
33.	Udaipur—Himmatnagar (Metre Gauge) link (Western Railway)	613·76	340·00	102·69	1964
34.	Guna (Rothai)—Shajapur—Maksi Construction (Western Railway) . . .	114·90	144·00	701·60	1967
35.	Dandakaranya—Bolangir—Kiriburu Railway Projects—				
	(*a*) Kottavalasa—Bailadilla Construction .	1152·03	1321·74	3058·45	1966
	(*b*) Sambalpur—Titlagarh Construction . . .	1031·32	140·61	286·04	Partly opened to traffic. Rest will be opened to traffic within 1963.
	(*c*) Bimlagarh—Kiriburu Construction .	485·46	79·22	41·80	1963
36.	Railway Electrification—				
	(*a*) Durgapur-Gaya-Pradhankanta-Parthardih .	1510·87	3·20	104·84	Fully opened to traffic by 13-11-1961.
	(*b*) Asansol-Sini, Tatanagar-Kandra, Rourkela, Gomharria, Raj, kharswan-Dangoaposi .	1712·34	9·76	89·32	Fully opened to traffic by 12-2-1962.
	(*c*) Gaya—Moghalsarai .	443·06	237·24	132·91	Energised on 25-7-1962.
	(*d*) Khargpur—Tatanagar .	203·61	98·32	37·97	Energised from Salgajhari to Dalbhumgarh on 3rd January 1963 & from Dalbhumgarh to Kharida on 4th January 1963.

(In lakhs of rupees)

Sl. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
	(*e*) Sealdah—Ranaghat, Dum-Dum Bongaon . .	678·26	712·57	252·19	Second half of 1963.
	(*f*) Sealdah South—Ranaghat—Krishnagar and Kalinarayanpur—Santipur	32·46	72·28	952·14	1964-65.
	(*g*) Howrah—Khargpur .	18·42	15·98	1092·52	Early 4th Plan.
	(*h*) (*i*) Moghalsarai—Allahabad. (*ii*) Allahabad—Kanpur	140·22	325·81	1532·56	(i) September, 1964. (ii) September, 1965.
	(*i*) Anara—Rukni, Adra—Rukni, Rukni—Bhojudih, Bhojudih—Jamadoba Washery, Santaldih—Bhojudih Washery, Adra—Garhdhrubeswar, Adra—Joychandipahar, Damodar—Radhanagar and Triangle lines to Chinakuri sidings and Ramkanali-Chaurashi . . .	13·55	83·22	61·63	To be energised in stages during 1963-64.
	(*j*) Waria—Burdwan, Bandel—Naihati, Saktigarh—Docks, Dankuni—Belur	186·92	334·42	2081·11	December, 1964.
	(*k*) Conversion of Howrah—Bandel—Burdwan and Tarakeswar Branch Line	37·09	153·05	543·54	In two stages by December, 1964 and December, 1965.
	(*l*) Khargpur—Tatanagar (Second Line) . .	..	30·00	170·00	September, 1965.
	(*m*) Dangoaposi—Gua ; Barajamda—Bolani ; Padapahar—Banspani .	..	50·00	280·00	1965-66.
	(*n*) Rourkela—Birmitrapur .	2·00	50·00	22·00	End of 1963.
	TOTAL . .	..	6944·07	..	

38. *Restoration of dismantled lines.*—A provision of 4·44 lakhs has been made, for adjustment of certain charges in connection with the restoration of the following dismantled lines:—

(In lakhs of rupees)

Sl. No.	Name of Project	Expenditure upto 1962-63	Provision for 1963-64	Balance to complete	Probable date of completion
1.	Restoration of Utraitia—Sultanpur—Zafarabad Branch Line (Northern Railway)	236·36	1·80	..	Already opened.
2.	Restoration of Balamau—Madhoganj—Unnao Section on Moradabad Division (Northern Railway)	96·82	2·64	3·17	Already opened.
	TOTAL	..	4·44	..	..

39. *Track Renewals.*—The Programme of Track Renewals has been drawn up keeping in view the total plan allotment; accordingly a provision of 53·50 crores has been made in the Budget year for Track Renewals. Out of this, a provision of 33·21 crores is for Works in Progress and 20·29 crores for New Works.

40. *Other Open Line Works.*—The provision for other open line works is 123·73 crores. About 84 per cent of this is for augmenting line capacity and other operating improvements, to handle the volume of anticipated additional traffic; the balance is for bridge works, users' amenities, staff quarters and amenities for staff as shown in the table below :—

(In lakhs of rupees)

Particulars	Capital	Depreciation Reserve Fund	Development Fund	Revenue	Total
I. *Bridge Works*:					
(*a*) Works in Progress	1,00	2,34	44	19	3,97
(*b*) New Works	..	75	..	9	84
II. *Operating Improvements*:					
(*a*) Works in Progress	57,70	5,73	18,88	6,64	88,95
(*b*) New Works	7,89	58	2,68	3,79	14,94
III. *Staff Quarters* :					
(*a*) Works in Progress	1,09	14	4,81	37	6,41
(*b*) New Works	18	3	1,36	37	1,94
IV. *Staff Amenities* :					
(*a*) Works in Progress	1	1	1,96	44	2,42
(*b*) New Works	..	3	65	32	1,00
V. *Users' Amenities* :					
(*a*) Works in Progress	..	..	2,25	..	2,25
(*b*) New Works	..	..	1,01	..	1,01
SUMMARY:					
(*a*) Works in Progress	59,80	8,22	28,34	7,64	1,04,00
(*b*) New Works	8,07	1,39	5,70	4,57	19,73
GRAND TOTAL	67,87	9,61	34,04	12,21	1,23,73

New Works each estimated to cost 20 lakhs and above and important works in progress are listed in Sections (a) and (b) of Appendix I to this Memorandum.

41. Full details of new works proposed to be taken up during 1963-64 are given in the individual Railway's Consolidated Works Programme. Works estimated to cost Rs. 1 crore or more are detailed below:—

(In lakhs of rupees)

Serial No.	Particulars	Anticipated cost	Outlay proposed for 1963-64
1	Doubling/Regrading of Karari—Datia—Sonagir Section (17·1 miles)	1,42	5
2	Antri-Sandalpur—Sithouli Section (11 miles) Sub-sections of the Jhansi—Agra Section—Doubling between	1,50	4
3	Sobhapur—Salichauka Road (27·30 miles) Doubling between	2,48	5
4	Bohani—Kathotia (13·47 miles) Doubling between	1,19	5
5	Ghatpindrai—Bhitoni (29·14 miles) (excluding Sher Bridge length one mile) Doubling between	2,83	5
6	Bina—Katni Section—Partial doubling of :		
	(a) New Katni and Hardua (10·94 miles)	1,19	4
	(b) Salaia and Bandukpur (28·04 miles)	4,76	5
	(c) Patharia and Saugor (31·58 miles)	3,72	5
7	Doubling the section between Sainthia and Barharwa (66 miles)	5,71	12
8	Gorakhpur—Chupra Section—Provision of track circuiting with panel interlocking	1,23	0·20
9	Doubling of the remaining patch of 30 miles between Tuni and Samalkot	2,96	1,20
10	Doubling of track between Kovvur and Godavari, including construction of a second bridge across Godavari River	5,80	1,00
11	Doubling of track between Sankaridrug and Cauvery (10·25 miles) on Jalarpet—Erode Section	1,00	15
12	Poona—Miraj Section—Conversion from Metre Gauge to Broad Gauge (195 miles)	13,18	20
13	Provision of a third line between Santragachi and Panchkura (43 miles)	12,00	2
14	Doubling of Bridges—Brahmani, Mand and Hasdeo on Rourkela—Bhilai Section	1,66	10

(In lakhs of rupees)

Serial No.	Particulars	Anticipated cost	Outlay proposed for 1963-64
15	Doubling of the following remaining single line sections on the Khargpur—Vizianagaram section:		
	(a) Hijli to Ranital (103·50 miles)	17,02	27
	(b) Bhadrak—Kopilas Road (62·50 miles) . . .	13,00	10
	(c) Bhusandpur to Jagannathpur (65·50 miles) . .	8,10	10
	(d) Palasa—Vizianagaram (88·50 miles) . . .	13,32	10
16	Raigarh—Provision of a new wagon shop . . .	5,72	75
17	Provision of a chord line between Pendrasali—Barabamboo Chord by-passing Rajkharswan including electrification	2,07	5

42. Some important sections, on which line capacity is proposed to be augmented, are:

(1) Jhansi-Agra Section, on the Central Railway.
(2) Itarsi-Jabalpur Section, on the Central Railway.
(3) Bina-Katni Section, on the Central Railway.
(4) Andal-Sainthia Section, on the Eastern Railway.
(5) Vijayawada-Samalkot Section, on the Southern Railway.
(6) Poona-Miraj Section, on the Southern Railway.
(7) Kharagpur-Vizianagaram Section, on the Southeastern Railway.
(8) Howrah-Chakradharpur Section, on the Southeastern Railway.

The list of new works each costing between 5 and 20 lakhs is given on pages 100—121 of Part I of the Consolidated 'Works, Machinery and Rolling Stock Programme'.

43. *Investment in shares of Commercial Concerns.*—A provision of 2·48 crores is proposed for Investment in shares of Commercial Concerns during 1963-64. A statement showing the investments proposed to be made in 1962-63 and 1963-64 is given on pages 98-99 of Part I of the Consolidated 'Works, Machinery and Rolling Stock Programme'.

43. *Stores, Manufacture and Miscellaneous Advances Suspense.*—There is an increase of 6·19 crores under Suspense heads—made up of an increase of 10·12 crores under Stores Suspense and a reduction of 1·45 crores under Manufacture Suspense and 2·48 crores under Miscellaneous Advances. The increase under Stores Suspense of 10·12 crores is on account of more purchases expected to be made in the Third Plan for unavoidable increased maintenance requirements owing to expansion of Railway assets as also for building up of the requisite stocks to facilitate the execution of the enlarged programme of Railway development. The reduction of 1·45 crores in Manufacture Suspense is mainly due to anticipated increase in turnover from workshops and from production units. The reduction of 2·48 crores in Miscellaneous Advances is mainly due to

the fact that, against advance (progress) payments made in 1962-63 for imported materials and debited to this head in 1962-63, there will be credits to the head on receipt of materials in 1963-64.

45. Credits for released materials to the extent of 10·02 crores are expected to be adjusted in the accounts of the Budget year; these do not figure in the gross demands.

46. The distribution of the total estimated net expenditure of 325 crores during 1963-64, on Works, Machinery and Rolling Stock Programme of Railways, by Demands, is as follows:—

Demand No. 13—Open Line Works (Revenue)	12,50,00,000
Demand No. 14—Construction of New Lines	65,78,34,000
Demand No. 15—Additions and Replacements	220,71,66,000
Demand No. 16—Development Fund	26,00,00,000
Total:	325,00,00,000

47. For further particulars of the Budget Estimates of expenditure chargeable to Capital, Depreciation Reserve Fund, Development Fund and Open Line Works (Revenue), reference is invited to the Consolidated Works, Machinery and Rolling Stock Programme of Railways—Parts I and II.

S. JAGANNATHAN,

Financial Commissioner, Railways.

19*th February*, 1963.

APPENDIX I

(*a*) The new open line works costing 20 lakhs and more for which funds have been provided in 1963-64 are:—

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Anticipated cost	Provision for 1963-64	Balance of complete work
	CENTRAL RAILWAY			
1	Itarsi.—Remodelling of Goods Yard . .	35	7	28
2	Bina—Jhansi Section.—Doubling between Jhansi and Bijoli (5·25 miles) . .	38	2	36
3	Doubling and regrading of Karari—Datia—Sonagir Section (17.1 miles) . . .	1,42	5	1,37
4	Antri—Sandalpur—Sithouli (11 miles) Sub-sections of the Jhansi—Agra Section—Doubling between	1,50	4	1,46
5	Jabalpur—Itarsi Section.—Doubling of section between Gurra—Bagratawa (7.87 miles) (excluding Bagratawa—Viaduct and Bagra tunnel-total length 2 miles) . .	76	2	74 2,43
6	Sobhapur.—Salichauka Road (27·30 miles).—Doubling between	2,48	5	2,43
7	Bohani—Kathotia (13.47 miles) Doubling between	1,19	5	1,14
8	Ghatpindrai—Bhitoni (29·14 miles) (excluding Sher bridge length one mile).—Doubling between	2,83	5	2,78
9	Igatpuri.—Provision of New yard with separate engine line and connecting down shunting neck to down yard . .	28	3	25
10	Sholapur.—Wadi Section.—Doubling of Section between Shahabad and Wadi .	93	3	90
11	Replacement of Rotary converter sets by rectifier units at Kurla sub-station . .	23	1	22
	Bina—Katni Section.—Partial doubling of (82·51 miles)			
12	New Katni and Hardua (10·94 miles) .	1,19	4	1,15
13	Salaia and Bandukpur (28.04 miles) .	4,76	5	4,71
14	Patharia and Saugor (31.58 miles) .	3,72	5	3,67
15	Jeruwakhera and Sumreri (5.80 miles) .	78	3	75
16	Bina and Badhora (6.15 miles) . .	55	2	53
17	Thana.—Provision of a large size goods shed	43	1	42

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Anticipated cost	Provision for 1963-64	Balance to complete
	EASTERN RAILWAY			
18	Additional crossing stations on Bandel-Azimganj—Barharwa Section and Azimganj Nalhati section	27	5	22
19	Andal—Sainthia Chord :			
	(*i*) Extension of loops to hold 70 wagons.			
	(*ii*) Raising of standard of interlocking from standard I to III with simultaneous reception and despatch facilities	29	1	28
20	Siding to serve NCDC's Ramgarh Colliery off Mael (or Gola Road) Railway Station .	25 Deposit 1,00	5	20
21	Exchange yard to serve the proposed Bokaro Steel Plant.—Acquisition of land .	50	1	49
22	Dugda Washery.—Remodelling of the yard (Phase III) according to master plan for Dugda Washery— . .	80 Deposit 80	2	78
23	Extension of avoiding line between Mugma and Thaparnagar	25	5	20
24	Andal.—Doubling of the remaining portion of Durgapur Exchange yard avoiding line upto fly-over at West End . .	30	2	28
25	Doubling the section between Sainthia and Barharwa (66 miles)	5,71	12	5,59
26	Provision of a new building for a printing press, stationery stores, printing offices along with two hundred staff quarters, at Belgharia	82·82	0.30	82.52
27	Dhanbad.—Provision of office accommodation, laboratory accommodation and staff quarters for officers, Class III and IV staff in the combined office of the coal inspection organisation and Mining Organisation under Chief Mining Adviser, Dhanbad—Phase I . .	22	2.5	19.5
	NORTHERN RAILWAY			
28	New Delhi.—Acquisition of 15 acres of land adjacent to Railway Colony, Kitchner Road, New Delhi for construction of 40 houses of various types . . .	23	5	18
29	Line capacity works required in connection with acceptance of 3770 wagons from the Eastern Railway *via* Moghalsarai–Chunar .	42	25	17

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Anticipated cost	Provision for 1963-64	Balance to complete work
	NORTHERN RAILWAY—*concld.*			
30	Lucknow.—Provision of quarters for staff of the Diesel and Electrical wings of R.D.S.O. at	32	10	22
	NORTHEASTERN RAILWAY			
31	Gonda—Burhwal Section.—Provision of Track circuiting with panel interlocking .	33·75	0·05	33·70
32	Gorakhpur—Chupra Section.—Provision of track circuiting with panel interlocking .	1,23	0·20	122·80
	SOUTHERN RAILWAY			
33	Vijayawada.—Waltair Section.—Line capacity works	23	15	8
34	Doubling of the remaining patch (30 miles) between Tuni and Samalkot . .	2,95 R 1	1,20	1,75
35	Doubling of track between Kovvur and Godavari, including construction of a second bridge across Godavari River .	5,80	1,00	4,80
36	Vijayawada—Gudur Section.—Line capacity works—Vijayawada—Additional yard for down traffic	60	12	48
37	Doubling of track between Sankaridrug and Cauvery (10·25 miles) on Jalarpet—Erode section	1,00	15	85
38	Erode.—Olavakkot Section.—Provision of tokenless block working . . .	24	2	22
39	Poona—Miraj Section.—Conversion from Metre Gauge to Broad Gauge . .	13,18	20	12,98
40	Perambur.—Improvements to Railway hospital	22	4	18
41	Tambaram.—Extension to car Workshop including provision of new Inspection Shed for EMUs	28	1	27
42	Yeswantpur.—Yard Remodelling . .	53	20	33
43	Bangalore City.—Remodelling of the station and termination of Narrow Gauge at Yelahanka	31	10	21
	SOUTHEASTERN RAILWAY			
44	Provision of a Third Line between Tikiapara and Santragachi	45	9	36
45	Provision of four additional lines in the departure yard at Tatanagar . . .	25	4	21

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Anticipated cost	Provision for 1963-64	Balance to complete work
	SOUTHEASTERN RAILWAY—*contd.*			
46	Provision of a third line between Santragachi and Panchkura	12,00	2	11,98
47	Automatic signalling of Tatanagar—Sini Section	26	3	23
48	Provision of automatic block signalling between Santragachi & Uluberia	36	5	31
49	Facilities required on account of expansion of Central India Coal Fields (Stage III)—Expansion of Bilaspur yard	90	17	73
50	Doubling of Damodar Bridge between Madhukonda and Damodar	75	10	65
51	Doubling of the Bhojudih-Sudamdih section (1·25 miles) including doubling of bridge over Damodar River	32	5	27
52	Provision of a direct connection from Bondamunda departure yard to Dumitra on the Barsua Branch along the fly over off the Bondamunda—Hatia Line with direct connection to Dumitra	35	9	26
53	Provision of terminal facilities at Durg . .	35	6	29
54	Doubling of Bridges—Brahmani, Mand & Hasdeo on Rourkela—Bhilai Section .	1,66	10	1,56
55	Second expansion of Bondamunda Marshalling yard	41	15	26
56	Second expansion of Bhilai Marshalling yard .	36	10	26
	Doubling of the following remaining single line sections on the Khargpur—Vizianagaram section:			
57	Hijli to Ranital. (103·5 miles) . . .	17,02	27	16,75
58	Bhadrak—Kopilas Road. (62·5 miles) . .	13,00	10	12,90
59	Bhusandpur to Jagannathpur. (65·5 miles) .	8,10	10	8,00
60	Palasa—Vizianagaram. (88·5 miles) . .	13,32	10	13,22
61	Replacement of the existing 14 Nos. 150 ft. spans to type 7951 of Sheonath Bridge No. 462 at miles 462. 68 between Bilha and Nipania	35	1	34
62	Provision of a Chord line between Pendrasali and Barabamboo by passing Raj Kharswan, including electrification	2,07	5	2,02
63	Provision of two crossing stations on the Chakradharpur—Manoharpur Section including electrification	32	3	29

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Anticipated cost	Provision for 1963-64	Balance to complete work
	SOUTHEASTERN RAILWAY—*concld.*			
64	Goods Terminal Yard for Shalimar . .	80	10	70
65	Expansion of Khargpur Workshop . .	21	8	13
66	Garden Reach—Proposed additional office accommodation for the Headquarters offices of the S.E. Railway	60	5	55
67	Provision of colour light signalling (multiple aspects) on Howrah—Khargpur Section (26 stations)	23	6	17
68	Raigarh—Provision of a new wagon shop. .	5,72	75	4,97
69	Provision of colour light signalling (multiple aspects) on electrified sections—Asansol—Chandil and Rajkharswan—Dangoaposi (28 stations)	32	1	31
	WESTERN RAILWAY			
70	Abu Road—Remodelling the yard at . .	24	1	23
71	Bhopal—Bhairagarh.—Doubling of the section between (B.G. 5·5 miles) . . .	44	20	24
72	Patholi.—Provision of a broad gauge/metre gauge transhipment yard at a site close to .	37	2	35
73	Abu Road—Sojat Road Section.—Providing simultaneous reception facilities at: Sarupganj, Banas, Sirohi Road, Sanderao, Jawali, Bhinwalia Banta Raghunathgarh and Bheasana and providing an additional loop each at Sanderao, Banta Raghunathgarh and Bhesana	26	1	25
74	Ratlam.—Improvements to watering arrangements at and providing staff quarters for filteration plant staff. (3 units type I and 3 units type II)	21	1	20
75	Agra area.—Providing power operated points and colour light signals at . . .	23	0·5	22·5

APPENDIX I

(b) The important open line works in Progress each costing 20 lakhs or more for which funds have been provided in 1963-64 are:—

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest Anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	CENTRAL RAILWAY				
1	Kalyan Power House Extension.	3,08	3,07	1	..
2	Dornakal—Vijayawada Section.—Doubling of section between Khammameth and Yerupalayam	3,61	55	90	2,16
3	Thana.—Acquisition of land for a goods shed (48 acres)	52	10	5	37
4	Bombay Area (Kurla)—Acquisition of land for Building staff Quarters	29	9	2	18
5	Bhusawal—Up Yard Remodelling	70	63	3	4
6	Kalyan.—Remodelling of the yard	57	56	1	..
7	Kalyan Power House.—Providing 18 M.W. Plant	89	88	1	..
8	Madan Mahal—Bheraghat. partial doubling of the section between Itarsi—Jabalpur	40	38	2	..
9	Bhusawal.—Remodelling of Down Yard	50	42	7	1
10	Jabalpur—Katni Section.—Doubling of section between Sleemanabad Road and Katni south (16·75 Miles)	99	78	18	3
11	Itarsi—Bhopal Section.—Doubling between Habibganj and Misrod	35	34	1	..
12	Itarsi and Gurra—Doubling between.	55	33	18	4
13	Jabalpur—Katni Section.—Doubling of line between Jabalpur and Adhartal (5 miles)	52	18	24	10
14	Jabalpur—Katni Section.—Doubling of line between Adhartal and Sleemanabad Road and Katni South to Katni (35 miles)	2,02	40	78	84
15	Itarsi—Bhopal Section.—Doubling of the section between—Barkhera and Misrod.	1,97	40	70	87
16	Itarsi—Jabalpur Section.—Doubling of section between Salichauka Road and Bohani (16 miles)	1,47	37	71	39
17	Bagratawa and Sobhapur (20·22 miles) Doubling of section between	1,65	31	71	63
18	Bheraghat and Bhitoni (8 miles) Doubling of section between	44	15	22	7

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	CENTRAL RAILWAY—*Contd.*				
19	Itarsi—Jabalpur Section.—Doubling of the section between Kathotia and Ghatpindrai (*i.e.*—crossing station on either side of Narsingpur—9·9 miles) . .	81	22	41	18
20	Doubling of line from Yerupalayam to mile 334/10(22·80 miles) on the Yerupalayam—Vijayawada Section	1,88	1,38	37	13
21	Katni—Satna Section.—Doubling of Section between Katni and Jukehi (10·50 miles)	71	16	31	24
22	Belampalli-Kazipet.—Doubling of section between (a) Peddampet and Raghavanpuram (9 miles). (b) Hasanparti Road & Kazipet (7·75 miles) . . .	1,27	20	40	67
23	Kazipet.—Remodelling of Yard . .	61	7	5	49
24	Wadi Yard.(a) Provision of two additional sorting lines of 2250′ CSR and extension of all receiving and departure lines to 2250′ CSR. (b) Extension of loop lines to 2250′ CSR at 9 stations, *viz.*, Nalwar, Thangundi, Yadgiri, Lingiri, Narayanpeth Road, Chegunta, Krishna, Chicksagar, Yermares.	22	5	4	13
25	Dornakal and Khammameth.—Doubling of section between (14·25 Miles) . .	1,62	69	46	47
26	Bina—Bhopal section.—Doubling of section between (i) Salamatpur and Pabai (29·50 miles) (ii) Bareth and Bina River (18·25 miles) with Single gauntletted track on Bina and Betwa river bridges. . .	4,04	1	60	3,43
27	Itarsi—Bhopal Section.—Doubling of section between Itarsi and Powerkheda (5 miles) Powerkheda and Hoshangabad (6 miles)	81	78	2	1
28	Jhansi—Kanpur Section.—Regirdering of Jamuna bridge at Kalpi between miles 792/14 and 793/7 (10/250 spans). . .	62	0·05	0·05	61·90
29	Jhansi—Manikpur Section.—Regirdering of 13/150′ and 1/60′ spans of Betwa bridge at Miles 709/0—9	51	17	24	10
30	Jhansi—Manikpur Section.—Regirdering of 13/100′ spans of Dassan bridge at miles 749/23.	23	12	10	1

(Figures in lakhs of rupees)

Serial No.	Particulars of works	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	CENTRAL RAILWAY—*Contd.*				
31	Kurla.—Construction of 156 units type II Multi-storeyed Quarters for India Optee Railway Refugees	22	9	10	3
32	Bhandup-Thana.—Provision of Automatic block Signalling	41	36	2	3
33	Thana (Exclusive) & Kalyan (Exclusive) Extension of Automatic block system .	81	62	3	16
34	Provision of arterial siding (7 miles) between Ghatkopar Thana by the side of down local and acquisition of land by the side of up main line	82	21	13	48
35	Kalyan.—Provision of Power frames or panels with colour light signals . .	32	13	3	16
36	Secunderabad-Kazipet section doubling (45 Miles.) (*a*) Patch doubling of the section between Secunderabad-Bibinagar (20·5 Miles) (*b*) Patch doubling of the section between Bhongir and Pembarati (19·75 miles.) (*c*) Patch-Doubling of the section between Pendial and Kazipet (4.75 miles) . .	4,44	75	97	2,72
37	Provision of (1) New Metre gauge yard and break of gauge tranship shed between Malkajgiri and Moula Ali in replacement of the existing metre gauge yard and the break of gauge tranship shed at Secunderabad and other ancillary facilities .	1,22	13	10	99
38	Maramjhiri and Ghoradongri.—Doubling of the section between	4,60	15	50	3,95
39	Amla and Bursalee.—Doubling of the section between	55	6	20	29
40	Amla.—Remodelling of the yard . .	20	1	3	16
41	Jhansi-Workshop.—Increasing repair facilities and provision of two turbo alternators 1500 KV capacity to meet the increased power load (Phase I)	1,55	1,24	17	14
42	Matunga.—Release of shop No. 8 for wagon repairs and building a new office for Stores Department . . .	25	24	1	..
43	Mettuguda.—Expansion of the S&T workshop and opening of new Electrical Signalling Section	27	16	4	7

(Figures in lakhs of rupees

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	CENTRAL RAILWAY—*Concld.*				
44	Parel.—Reorganisation of stores Depot .	35	27	1	7
45	Parel Shops.—Extension of the additional bay-Phase II & III	23	12	6	5
46	Katni.—Diesel Loco Shed . . .	59	31	17	11
	EASTERN RAILWAY				
47	Bandel-Monigram Section.—Extension of loops to 60 wagons with alteration to interlocking at 19 stations including Monigram	27	3	5	19
48	Construction of an additional line between Dhanbad & Pathardih skirting Jharia coalfields (9 miles)	1,50	10	10	1,20
49	Doubling Phusro-Bhandaridah (3 miles) including two additional loops at Bhandaridah	45	5	15	25
50	Damodar-Avoiding line from Damodar Station to Kalipahari to avoid Asansol Yard and alteration to Kalipahari Yard	1,38	1,14	10	4
51	Patratu.—Provision of Diesel Shed for 40 engines	70 R. 10	25	10	35
52	Doubling between Sonachara and Topsi (2 miles)	30	3	5	22
53	Doubling Chandrapura—Gomoh section (11 miles) including one additional loop at Chandrapura	1,29 R. 2	10	39	80
54	Moghalsarai—Remodelling of yard (Phase II)	29 R. 1	27	2	..
55	Chitpur—Remodelling of yard .	21 R 2	20	0·5	0·5
56	Fly over crossing for goods line between Lillooah sorting yard and Howrah goods over S. E. Railway main line and alteration to goods yard connected therewith to facilitate operation and prevent hold up to goods traffic.	55	46	7	2
57	Moghalsarai—Addition & alteration to yard (Phase I)	1,35	1,38	1	1
58	Pathardih—Additions and alterations to yard	29	20	2	7

(Figures in lakhs of rupees)

Serial No.	Particulars of work		Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	EASTERN RAILWAY.—*contd.*					
59	Provision of 3rd line from Mile 5B to East Dock Junction . . .		23·07	14·66	0·02	8·39
60	Doubling between Patratu and Tori and also between Kumandih and Barwadih on Barkakana Loop (58 miles) including yard and weighment facilities at Railway Station		5,58	3,41	51	1,66
61	Extension of Patratu—Damodar Branch upto coal bearing areas (3·1/8 miles) .		23	14	5	4
62	Provision of 660 wagons depot yard at Patratu and ancillary works to deal with additional coal traffic for Karanpura Coal fields		1,88	1,69	19	..
63	Andal—Remodelling of Yard (Phase III)	R	50 3	33	8	9
64	Doubling between Andal and Sonachara (5 miles) including two additional lines at Sonachara	R	47 1	12	27	8
65	Doubling between.— (*i*)(*a*) Sripur Exchange Yard & Baraboni (4 miles). (*b*) Baraboni and Sitarampur (8 miles). (*ii*) Two additional lines at Sripur and conversion of Sripur into a Block Station	R	1,21 4	10	30	81
66	Doubling between Ukhra and Pandaveswar including auxiliary yard at Ukhra and Loop with standard III interlocking at Kajoragram including water supply arrangements at Ukhra .	R	77 1	6	52	19
67	Doubling.—Phulriatand to Jamuniatand upto taking off points of Dugda Washery including 2 additional lines at Phularitand	R	56 1	10	21	25
68	Andal.—Remodelling of Yard (Phase I) .	R	2,22 3	1,95	12	15
69	Sitarampore.—Provision of additional facilities in the yard (stages I and II) .		34	32	1	1
70	Additional line between Andal and Ukhra .		41	40	1	..

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest Anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	EASTERN RAILWAY—*contd.*				
71	Exchange yard to serve Bandel Thermal Plant at Tribeni with a take off point from Tribeni on B. B. Loop and avoiding line about 2 miles between Tribeni and Magra to provide a direct entry to the Exchange yard from the main line avoiding Bandel yard .	21 Deposit. 72	1	15	15
72	Andal.—Remodelling of yard (Phase II) .	45	17	25	3
73	Sealdah.—Replacement of temporary quarters other than in Calcutta area by type II Quarters (303 units)	25·09	22·88	0·50	1,71
74	Provision of Divisional office Building at Dhanbad (non-air conditioned) and staff Quarters	51	10	14	27
75	Sealdah.—Remodelling of yard including Route relay Interlocking .	1,33 R 2	30	9	94
76	Ranaghat.—Provision of Loco Shed .	22	21	1	..
77	Ballygunge.—Remodelling of Ballygunge Station Yard	38	1	10	27
78	Howrah.—Provision of additional coaching, stabling and washing lines to improve operation and to cater for the increased traffic anticipated in the next years .	56	36	10	10
79	Howrah.—Remodelling of coaching Yard Phase II	31 R 3	7	7	17
80	Provision of combined Multistoreyed office building for the Eastern & Southeastern Railways and also for the Chittaranjan Locomotive Works Offices and the Railway Electrification Project offices at 14, Strand Road, Calcutta . . .	1,23	2	53	68
81	Provision of a coaching yard for S. E. Railway near Tikiapara Link . . .	22	2	20	..
82	Provision of modern route relay interlocking at Howrah terminal yard . . .	44	7	7	30
83	Asansol Dn. Sitarampur Section.—Provision of automatic signalling at Mugma .	39	17	5	17
84	Provision of Automatic signalling between Mugma-Pradhankanta . . .	57	23	5	29
85	Replacement of Semaphore Signals by colour light signals on section Durgapur to Gaya including provision of power supply at 33 stations excluding the section between Sitarampur to Pradhankanta .	42	1	5	36

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	EASTERN RAILWAY—*concld.*				
86	Replacement of existing Semaphore signals by colour light signals on the electrified sections between Gaya-Moghalsarai including provision of power supply at 19 stations	31	1	4	26
87	Remodelling of Kanchrapara Workshops for undertaking overhaul of Electric Locomotives and electric Multiple unit coaches	51	5	20	26
88	Provision of Colour light signalling on Durgapur Burdwan, Bandel-Naihati and Shaktigarh to Docks *via* H.B. Chord	30	1	1	28
	NORTHERN RAILWAY				
89	Moradabad-Saharanpur Patch Doubling (Phase II Pt. I)	1,71	1,70	1	..
90	Moradabad-Khanalampura—Doubling (Phase II Pt. III)	1,50	1,49	1	..
91	Providing necessary repair facilities in C&W shops at Jagadhri and expansion of the shops to deal with additional load consequent to increased Rolling Stock .	3,32	2,00	15	1,17
92	Tughlakabad Marshalling Yard- including Mineral Siding facilities . .	1,98	1,74	17	7
93	Doubling of Delhi-Rewari M.G. line from Garhi Harsaru-Sarai Rohilla (Phase-I).	77	76	1	..
94	Shakurbasti.—Providing Printing Press at	31	23	5	3
95	Additions & alternations to Kalka Workshops for the manufacture of Railway components	1,50	5	50	95
96	Providing Standard III signalling on Shakurbasti-Bhatinda Section in place of List and Morse Signalling . . .	30	25	5	..
97	Moghalsarai.—Provision of a Diesel shed for Northern Railway at . . .	70	39	11	20
98	Improvement to Chunar-Churk section including remodelling of Chunar Station Yard	2,66 R 11	1,71	23	72
99	Kanpur-Allahabad Section.— Doubling of remaining 55 miles (Phase II) . .	2,43	1,89	2	52

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	NORTHERN RAILWAY—*concld.*				
100	Patch doubling between (*i*) Tundla to Mehrawal and (*ii*) Ghaziabad to Dadri on Tundla-Ghaziabad Section . .	2,87	2,38	15	34
101	Varanasi-Zafarabad Section — Doubling of	2,50	2,23	5	22
102	Moradabad-Saharanpur Section.—Doubling of remaining 59·24 miles (Phase III)	3,57	2,79	43	35
103	Line capacity works required in connection with acceptance of 3100 wagons *via* Moghalsarai	1,15	57	27	31
104	Line capacity works in connection with acceptance of 3700 wagons *via* Moghalsarai (Phase I)	5,12	1,90	1,40	1,82
105	Line capacity works (Phase II) of the Scheme for a daily inter-change of 3700 wagons with the Eastern Railway at Moghalsarai/Chunar	64	10	30	24
106	Delhi Main.—Providing Signalling in station Yard at	30	10	12	8
107	Amritsar Workshop.— Provision of B.G. Loco repair facilities at . . .	1,70	82	11	77
108	Bikaner.—Expansion of Shops in connection with increase of Locomotive outturn from 30 POH & 30 IOH to 60 POH & 60 IOH per year at	52	51	1	...
	NORTHEASTERN RAILWAY				
109	Doubling of Section between Karhagola Road and Katihar (12·44 miles) . .	64	57	6	1
110	Barauni Junction-Samastipur.—Doubling of line (Broad Gauge) . . .	1,84	1,64	8	12
111	Garhara.—Acquisition of land for development works	20	1·31	0·50	18·64
112	Kasganj.—Remodelling of Loco Shed .	30	15	3	12
113	Gonda-Burhwal Section.—Regirdering of Elgin bridge 17′×200′ G at mile 440/22.	60	4	5	14
114	Bhatni-Allahabad City Section.—Regirdering bridge No. 21 and 24 with new metre guage main line standard girders . .	22	20	1	

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	NORTHEASTERN RAILWAY—*concld.*				
115	Banaras-Mandudih.—Provision of new running shed in replacement of the present running shed	41	24	8	9
116	Gorakhpur.—Development of colony in connection with expansion of colony . .	43	3	2	38
117	Gorakhpur.—Construction of 65 units type I, 204 units type II, 23 units type III and 6 units type IV quarters . . .	25	3	10	12
118	Gorakhpur.—Remodelling of yard . .	28	25	2	1
119	Izatnagar.—Extension of Mechanical Workshop	1,77	1,74	3	...
	NORTHEAST FRONTIER RAILWAY				
120	Development of capacity for movement of Oil Traffic from Assam . . .	13,31	11,31	84	1,16
121	Siliguri Junction.—Diesel Loco shed for 40 Locos	38	33	2	3
122	Strengthening of the Assam Rail Link Route (Kishanganj-Amingaon) . .	6,26	5,91	7	28
123	Katihar.—Remodelling of Yard . .	32	24	4	4
124	Rangiya-Rangapara North Section.—Ancillary works for development of line capacity	32	17	10	5
125	Tinsukia.—Remodelling of Yard . .	40	28	11	1
126	Bongaigaon.—Provision of a Carriage and Wagon shop	5,40	1,02	51	3,87
127	Siliguri-Changsari Section.—Centralised Traffic Control	6,98	2,59	2,00	2,39
128	Gauhati.—Proposed siding for Maintenance area	23 Deposit 64	..	3	20

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY				
129	Tondiarpet Marshalling Yard.—Additional facilities	39	10	14	15
130	Arkonam Junction.—Remodelling of Engineering Workshop	41	25	11	5
131	Doubling of track between Tiruvottiyur and Gummidipundi	1,82 R. 2	1,46	32	4
132	Perambur Carriage Works.—Improvements to	85	46	22	17
133	Perambur.—Taking 11 KV supply in lieu of the present 5 KV supply . .	26	3	5	18
134	Proposed Chord Line from Vijendla to Tsunduru in Gudur—Vijayawada Section (North-East line) Broad Gauge length 7·42 miles	59	57	2	..
135	Provision of separate Broad Gauge line between Guntur and Tadepalli on North East line Broad Gauge 16·72 miles .	1,48 R. 2	89	17	42
136	Vijayawada-Gudur Section.—Doubling of Broad Gauge track.—Bapatla to Tsunduru—19·5 miles (North East Line) .	99	1,01	—1	—1
137	Doubling from Gudur to Manubolu from mile 84.5 to 90 (existing length 5·5 miles and altered length 6·5 miles) .	89 R. 1	81	2	6
138	Vijayawada-Waltair Section.—Regrading and realignment of track between Hamsavaram and Tuni between miles 419/0 and 423/12 (4·40 miles)	33·12	32	0·31	0·81
139	Doubling from Talamanchi to Musunur from mile 118 to 135.5(existing length 17·5 miles and altered length 20·5 miles)	1,50 R. 1	1,21	4	25
140	Doubling from Tettu to Uulavapad from mile 184.5 to 157 (existing) length 8·5 miles and altered length 9·5 miles .	59	54	1	4
141	Doubling from Uppugundur to Chinnaganjam from mile 194·5 to 198·5 (existing length 4 miles and altered length 4·5 miles) .	36·48	31·64	0·38	4·46

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY—*contd.*				
142	Vijayawada Junction.—Remodelling of yard (North East Line)	95 R. 2	89	2	4
143	Renigunta-Gudur Section.—Conversion into broad gauge (North East Line) .	2,08 R. 14	2,03	2	3
144	Tenali-Gudur Section.—Doubling between Kadavakuduru and Bapatla (19.5 miles)	88	79	4	5
145	Doubling-Rajahmundry-Samalkot and Rajahmundry-Dwarapudi Sections (Phase I)	78	64	1	13
146	Conversion of MG/BG Gudivada—Bhimavaram and Vijayawada-Masulipatam Sections—Gudivada-Bhimavaram (Phase I).	2,15 R. 17	1,99	10	6
147	North East Line : Vijayawada-Waltair Section.—Doubling Rajahmundry-Samalkot—Doubling between Dwarapudi and Samalkot (Mile 371·5 to 390·25) Phase II of Rajahmundry— Dwarapudi-Samalkot—Doubling (18·75 miles existing length 19·75 miles altered length)	1,18 R. 5	1,01	7	17
148	North East Line.—Vijayawada-Masulipatam Section.—Conversion from MG to BG Gudivada-Bhimavaram, Vijayawada-Masulipatam Section. Phase II. Conversion of Vijayawada-Masulipatam Section (49·25 miles existing length, 54·25 miles altered length)	3,12 R. 12	2,47	17	45
149	Doubling—Tettu-Musunur section (13 miles)	73	61	7	5
150	Doubling between Uppugundur & Surareddipalem (20.25 miles). . . .	151 R. 1	95	56	..
151	Doubling between Manubolu & Talamanchi (28.25 miles)	2,43 R. 1	1,53	74	16
152	Doubling of track between Vijayawada & Yerupalayam on the Dornakal-Vijayawada section—Central Railway.—(Works concerning S. Rly. portion—Doubling between Vijayawada and mile 334/10 C. Rly. mileage)	28	27	1	..

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY—*contd.*				
153	Doubling of track between Kistna Canal & Vijayawada including a new bridge across Kistna River (mixed gauge BG/MG length—3·10 miles)	2,27	69	1,00	58
154	Waltair-Vijayawada Section.—Doubling of track between Rajahmundry & Godavari and Kovvur & Nidadavolu. Miles 359¼ & 357¼ and 354·5 & 345·5 North East line —B.G. length—11·16 miles .	99	24	46	29
155	Doubling of track between (1) Gopalapatnam and Duvvada and (2) Duvvada & Tuni (North-East line)—B.G.—55 miles (Waltair to Tuni)	3,97	11	28	3,58
156	Doubling of track between Bommidi and Danishpet between miles 180¼ and 192¼ (Phase I of Bommidi-Danishpet-Tinnappatti Doubling) in Jalarpet-Erode Section. S.W. line B.G. length 12·89 miles	1,35	85	32	18
157	Doubling of track between Danishpet and Tinnappatti between miles 192¼ and 196¾ (Phase II of Bommidi-Danishpet-Tinnappatti Doubling) on Jalarpet-Erode Section. S. W. line B. G. length 4·35 miles	27	19	2	6
158	Doubling of track between Tinnappatti and Salem from mile 196.5 to 207 in Jalarpet-Erode Section. S. W. Line BG length 9.80 miles.	84	43	6	35
159	Doubling of track between McDonald's Choultry to Mavelipalayam-Jalarpet-Erode Section. S.W. Line BG length—12·14 miles	R. 1,192	61	21	37
160	Doubling of track between Morappur-Bommidi (14 miles)	R. 1,171	42	50	25
161	Doubling of track between Mavelipalayam and Sankaridrug (3·13 miles) on Jalarpet-Erode Section	37	12	14	11
162	Doubling of track between Salem and McDonald's Choultry in Jalarpet-Erode section. Length 12·86 miles . .	R. 1,171	18	45	54
163	Doubling of track between Cauvery and Erode in Jalarpet-Erode Section (S.W. Line)—length 3·44 miles . . .	58	13	25	20

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY—*contd.*				
164	Shoranur-Ernakulam Section.—17 Stations—Raising the standard of signalling from standard I two aspect to Standard III double wire multiple aspect upper quadrant signalling to permit unrestricted speed through stations. . . .	31	6	14	11
165	Guntakal Junction.—Remodelling of MG Yard	22	19	1	2
166	Raichur-Renigunta Section.—Extension of loops at 27 stations and additional loops at 5 stations	34	25	5	4
167	Dronachellam-Guntakal-Dharmavaram-Pakala-Katpadi Section.—Line Capacity works (20 stations).				
	(*a*) Extension of loops at 12 stations.				
	(*b*) Additional loops at 6 stations.				
	(*c*) Yard facilities at 2 stations . .	37	21	16	
168	Arkonam-Renigunta Section.—Doubling of the BG track from Ponpadi to Vepagunta (11·74 miles) along new alignment from mile 55 to 65 (N.W. line) . . .	1,43	1,31	6	6
169	North West Line.—Doubling from Vepagunta to Puttur from mile 65 to 69 (existing length 4·5 miles, altered length 5·5 miles)	28	21	2	
170	Arkonam-Renigunta Section.—Doubling of BG track from Pudi to Puttur (13·75 miles) along new alignment from mile 69 to 78 (N.W. line) . . .	1,47	1,33	7	1
171	Doubling of track between Arkonam—Renigunta.—Arkonam to Ponpadi (12·39 miles)	92	65	5	2
172	Doubling of track between Pudi and Renigunta (3·99 miles) on Arkonam-Renigunta Section	R. 1 39	34	2	3
173	Between Hospet and Guntakal.—Laying of a new Broad Gauge Line (71 miles) .	6,29	65	1,00	4,64

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY—*contd.*				
174	Jalarpet-Bangalore City Section.—Line Capacity works :				
	(*a*) Crossing Station between Gudupalli & Kamasamudram (Conversion of Bisanatham.)				
	(*b*) Crossing Station between Tyakal & Malur.				
	(*c*) Swaminayakanpatti.—Additional loop to hold 60 vehicles.				
	(*d*) Kamasamudram.—Additional loop.				
	(*e*) Baiyyappanahalli.—Marshalling yard at	58	55	3	..
175	Villupuram.—Remodelling of Yard—Phase II	26	10	16	..
176	Virudhunagar Jn.—Proposed Marshalling yard	27·27	27·12	0·15	...
177	Tiruchirapalli-Madurai Section.—Replacing existing standard I two aspect signalling by standard II D.W.M.A. signalling at 19 stations and inter locking level crossings at mile Q. 279/11-12 & Q. 283/11	22	19	2	[illegible]
178	Vijayawada-Waltair Section.—Improvements to track and bridges at mile 437/19 to 442/19 between Narasapatnam & Regupalam stations	30	2	9	19
179	Calicut-Mangalore Section—Bridge No. 1201 (Psysavali) at mile B. 520/5-11—Rebuilding existing 12 × 100′0″ spans. as 24 × 47′—6″ girders . . .	21·5	20·5	1	..
180	Rebuilding of bridges No. 715, 716 & 718 and resiting of Srirangapatna & Paschimvahini stations	34	17	16	[illegible]
181	Madras Central.—Remodelling of Phase II.	31	21	4	6
182	Vijayawada Jn.—Construction of 180 units type II, 8 units type III, 8 units type IV, 5 units type IV (Spl.) and 2 units type V quarters for essential class III staff and officers in connection with the Divisionalisation of the Railway	39	37	1	[illegible]
183	Madras Central—Remodelling of Phase I—Shifting of Coaching Yard from Madras Central to Basin Bridge . . .	98 R. 3	97	1	..
184	Madras.—Replacement of Divisional office building and providing additional accommodation to relieve congestion in the new General Office	49 R. 2	18	30	[illegible]

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHERN RAILWAY.—*concld.*				
185	Arkonam-Tirupattur section—Doubling between Vinnamangalam and Tirupattur (19.5 miles)	1,34 R. 1	1,30	2	2
186	Arkonam-Tirupattur section—Doubling between Mukundarayapuram and Latteri (15 miles)	1,10	1,06	2	2
187	Doubling from Chitteri to Mukundarayapuram from Mile 47.5 to 70 (existing length 22·5 miles, altered length 24·5 miles)	1,44 R. 1	1,23	2	19
188	Arkonam-Tirupattur section—Doubling between Arkonam and Chitteri (5 miles) .	22	16	2	4
189	Doubling of track between Latteri and Vinnamangalam (From mile 85 to 117.5) 32·5 miles and regrading the main line between Arkonam and Jalarpet . .	2,70 R. 2	1,78	73	19
190	Proposed conversion of existing steam loco shed at Gooty and terminal facilities for diesel locos at Tondiarpet and Madras Beach.	40	20	20	..
191	Hubli Junction.—New General Stores at	22·5	22·3	0·2	..
192	Hubli Workshops.—Remodelling of .	1,02	70	14	18
193	Madras-Vijayawada-Waltair Section.—to 288—d rebracing & centralised bearings drawing 40′ 0″ girders in 35 bridges to No. 11358 on the North East Line	22	11	11	..
	SOUTHEASTERN RAILWAY				
194	Construction of Dankuni-Mourigram Avoiding Line	1,31	4	15	1,12
195	Provision of a direct link between Joy Chandipahar and Rukni . . .	70	10	15	45
196	Bondamunda.—New Marshalling Yard .	7,51	6,86	65	..
197	Bhilai.—New Marshalling Yard . .	4,23	4,20	3	..
198	Kalumna.—Acquisition of land for Railway Development 103 acres . .	30	5	10	15

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHEASTERN RAILWAY—*contd.*				
199	Bhandara.—Construction of a siding for the new explosive factory . . .	34	27	7	..
		Deposit. 88			
200	Provision of retarders and mechanisation of the humps on the marshalling yard at :—				
	(*a*) Bondamunda.	25	1	10	14
	(*b*) Bhilai	25	1	10	14
201	Crossing stations between :—				
	1. Benapur and Narayangar (7 miles).				
	2. Jaleswar and Amarda Road (8-3/4 miles).				
	3. Haldipada and Balasore (7-1/2 miles)				
	4. Baitarani Road and Jaipur Keonjhar Road (7-3/4 miles)				
	5. Tapang and Bhusandpur (9-3/4 miles) .	26	9	12	6
202	Khargpur.—Provision of new Marshalling Yard	3,54 R 1	5	50	2,99
203	Santragachi.—Remodelling of yard .	99 R 3	5	10	84
204	Increasing line capacity of Khurda Road-Nergundi Section	37	32	5	..
205	Additional line capacity works on Anara-Chandil Section	26 R. 1	20	4	2
206	Adityapur & Tatanagar.—Additions and alterations to yard facilities for dealing with 2 million tons production of TISCO .	2,66	2,18	28	20
207	Doubling Rajkharswan—Barajamda .	6,00 R. 44	5,66	6	28

(Figures in lakhs of rupees)

Serial No.	Particulars of work		Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHEASTERN RAILWAY—*contd.*					
208	Additional facilities on the Central India Coalfield Section (A) Anuppur.—Katni-Musra Section—Doubling of Sections .	R.	5,39 5	4,84	26	29
209	Additional Line Capacity Works in C.I.C. area Stage I. Doubling between Baoridand and Anuppur (35 miles) . .	R.	3,79 2	2,06	1,12	61
210	Doubling between Birsinghpur and Umaria, Chandia Road and Jhalwara (37 miles)		3,74	2,02	1,34	38
211	Facilities required on account of Central India Coalfields—Stage II . .		3,23	13	1,76	1,34
212	Durg-Nagpur Section.—Patch Doubling (35 miles)	R.	3,14 2	1,68	1,01	45
213	Durg.—Kamptee.—					
	(*a*) Doubling of line about 68-3/4 miles on the Section Durg to Kamptee . .	R	6,70 9	5,35	90	45
	(*b*) Crossing Stations & additional loops .	R	96 2	69	27	..
214	Doubling remaining single line portion on the Durg-Kamptee Section (52 miles) .	R	4,69 3	60	1,43	2,66
215	Doubling of Rourkela to Durg . . .	R	22,67 17	22,66	1	..
216	Doubling Vizianagaram.—Gopalapatnam .	R	3,11 2	2,97	14	..
217	Facilities required on the Howrah-Chakradharpur Section for movement of additional traffic Stage I	R	9,81 14	2,54	2,37	4,90
218	Facilities required for movement of export ore from Kiriburu to Vizagapatam Port	R	1,14 3	63	36	15
219	Line capacity works on Muri-Chandil-Rourkela Section		28	13	5	10

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	SOUTHEASTERN RAILWAY—*concld.*				
220	(A) Extension of loops at 68 stations (B) Expansion of yards at : (*i*) Bhadrak (*ii*) Khurda Road (*iii*) Palasa	5,20	1,16	1,90	2,14
221	Patch doubling between :— (*a*) Khargpur-Hijli (2·25 miles). (*b*) Ranital-Bhadrak (4·50 miles) (*c*) Khurda Road-Bhusandpur (21 miles) (*d*) Jagannathpuram-Palasa (51·25 miles) .	5,95	30	50	5,15
222	Facilities required for the expansion programmes of the Rourkela & Bhilai Steel Plants (Stage I)	1,83	20	1,44	19
		Deposit 10			
223	Doubling of Bridge No. 182 (9-150′ C) at mile 325·446 (Ib River) . . .	82	6	41	35
224	Doubling of Sheonath II Bridge No. 462 (14-150′ girders) at mile 462·68 between Bilha and Nipania on Rourkela-Durg Section	1,03	1	51	51
225	Palasa-Waltair-Section.—Bridge No. 1354 at mile 462·472—19 spans of 70′ replacing of girders	22	13	7	2
226	Provision of type II quarters at Waltair (128 units) Khurda Road (136 units) Khargpur (92 units) Bilaspur (43 units) and Nagpur (272 units) in connection with the setting up of divisional organization on the Southeastern Railway. .	1,06	8	38	60
227	Very high frequency Multi-Channel Scheme on the Southeastern Railway . .	39	30	9	..
	WESTERN RAILWAY				
228	Churchgate-Grant Road.—Acquisition of land for quadrupling the tracks between .	1,43	11	10	1,22
229	Kota.—Providing a new wagon repair shop at	1,88	1,87	1	..
230	Ratlam—Nagda.—Doubling the track between Bangrod and Birwania . . .	1,01	1,00	1	..
231	Nagda-Bayana.—Partial doubling of Lakheri Bayana Sub. Section BG 188 KM (116·75 Miles)	10,00	1,93	2,00	6,07

(Figures in lakhs of rupees

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	WESTERN RAILWAY—contd.				
232	Ajmer-Phulera Section.—Doubling of Kishangarh Madar section and providing a chord line between Madar and Tabiji Section (MG 31·95 KM (20 m). . . .	1,26	15	50	61
233	Mahalaxmi.—Remodelling of wagon shop for conversion into a carriage repair shop at	35 R. 5	34	1	..
234	Ajmer.—Replacing existing generating plant in the Ajmer power house and improvements to power supply at . . .	32·82	30·28	0·50	2·04
235	Grant Road-Bandra and Kandivli.—Proposed augmentation of converting plant capacity in the traction sub stations at . .	29	19	5	5
236	Bombay-Surat Section.—Replacing 96 spans of 60′ old and under-strength girders by new ones to ML standard on bridge Nos. 169, 275, 359 and 401 (Up and Down lines)	40	7	5	28
237	Surat-Baroda Section (Broad Gauge).—Replacing 48 spans of 60′ old and under-strength girders by new ML standard ones on bridge Nos. 458, 471, 473, 474, 477, 478, 480, 485, 494, 571, and 586.	20·24	2	0·05	18·19
238	Bhopal-Ujjain Section.—Regirdering of major bridges on Parbati, Niwas and Kalisindh	23	14	8	1
239	Bayana-Agra Section.—Replacing 16 spans of 133′ old & understrength girders by new ones on Jamuna bridge No. 162	36·86	0·07	0·10	36·69
240	Kota-Bina Section.—Replacing the weak and understrength girders by new ML Standard ones on Betwa bridge-16 spans of 100′ . . .	26·02 R 3	0·58	0·80	24·64
241	Kota-Bina Section.—Replacing the weak and understrength girders by new ML Standard ones on Parbati bridge 11 spans of 100′	19·36 R 2	5·50	0·10	13·76
242	Bombay.—Providing a 150 bed hospital at	72	70	1	[illegible]

(Figures in lakhs of rupees).

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	WESTERN RAILWAY—*concld.*				
243	Ujjain-Maksi.—Doubling the line between (25 miles) . . .	2,16	1	40	1,75
244	Phulera.—Partial Doubling of the line between				
	(*i*) (Jaipur-Ugravas 18·24 miles) .				
	(*ii*) Hirnoda-Phulera (5 miles) .	1,34	1	40	93
245	Kalol-Mehsana Section.—Doubling the line between 41·04 Km (25·15 miles) .	1,27	31	61	35
246	Mahim-Bandra.—Providing separate line for Central Railway trains between .	67	..	15	52
247	Jogeshwari—Providing an auxiliary terminus at . . .	28	21	5	2
248	Ahmedabad.—Remodelling the M.G. yard at	2,12	2,03	1	8
249	Ahmedabad.—Remodelling the B.G. yard at	1,93	47	60	86
250	Phulera.—Remodelling the yard at . .	67	61	6	..
251	Jaipur.—Remodelling the yard at .	60	53	1	6
252	Mehsana.—Remodelling the yard at .	55	53	2	..
253	Palanpur-Gandhidham Section.—Strengthening of track on . . .	43 R 4	38	5	..
254	Nagda-Kota Section.—Providing standard III multiple aspect upper quadrant signalling at	34	12	8	14
255	Sabarmati.—Providing a bridge and points & crossing shop at . .	50·5	50	0·5	..
256	Mira Road.—Additional traction rectifier sub-station at (Pt. I.). Providing single unit 2000 KW Rectifier with transmission line from Bassein Road Sub-station to	28.15	0·05	0·05	28·05
257	Mahalaxmi.—Providing a printing Press at	33·14	0·50	3	29·64
258	Nagda-Ujjain Section.—Providnig a new broad gauge bridge over the Sipra river (5×150) and an independent broad gauge entry into Ujjain yard at .	29	13	10	6

(Figures in lakhs of rupees)

Serial No.	Particulars of work	Latest anticipated cost	Approximate expenditure to end of 1962-63	Provision for 1963-64	Balance to complete work
	CHITTARANJAN LOCOMOTIVE WORKS				
259	Expansion of Chittaranjan Locomotive Works	2,28·47	2,06·89	0·15	21·43
260	Chittaranjan.—Construction of Locomotive Building Works at . .	14,73·74	14,71·95	0·16	1·63
261	Expansion of Chittaranjan Locomotive Shops Steel Foundry . . .	6,30	1,35	2,86	2,09
262	Provision of facilities for the manufacture of Electric Locomotives . .	1,68	50	88	30
	DIESEL LOCOMOTIVE WORKS				
263	Diesel Locomotive Works, Varanasi .	19,57	2,99	5,00	11,58
	DANDAKARANYA BOLANGIR KIRIBURU RAILWAY PROJECTS.				
264	Doubling between Lanjigarh Road and Ambodala (9 miles) . . .	78	21	43	14
265	Doubling between Bissamcuttack and Theruveli (11 miles) . . .	1,03	29	53	21
266	New marshalling yard at Waltair . .	5,99 R 1	26	1,10	4,63
267	Nergundi-Khurda Road Doubling including Mahanadi Bridge . . .	7,57 R. 2	2,57	2,44	2,56
	INTEGRAL COACH FACTORY				
268	Perambur.—Providing a permanent furnishing unit for Integral Coach body shells	3,62	2,84	48	30
269	Perambur.—Introduction of Second shift II phase (including facilities for diversified production such as EMU, MG coaches etc.)	46	24	21	1

APPENDIX I

(c) List of works costing over Rs. 50 lakhs sanctioned during 1962-63 not provided in the original Budget.

(Figures in lakhs of rupees)

S. No.	Particulars of work		Anticipated cost	Outlay proposed for 1962-63
1	Remodelling of Kanchrapara Workshop for undertaking overhaul of Electric Locomotives and Electric Multiple unit coaches. (Eastern Railway)	DF(3)	50·58	5·00
2	Provision of Divisional Office building at Dhanbad (Non-airconditioned) and Staff Quarters. (Eastern Railway)	Cap.	5·11	..
		DF(2)	32·50	5·00
		DF(3)	13·30	5·00
3	Provision of a direct link between Joychandipahar and Rukni. (Southeastern Railway)	Cap.	70·00	10·00
4	Remodelling of Santragachi Yard. (Southeastern Railway)	Cap.	82·91	5·00
		DRF	12·85	..
		DF(1)	1·04	..
		DF(2)	2·29	..
		R.	2·50	..
5	Electrification of Rourkela—Birmitrapur. (Railway Electrification)	Cap.	74·00	2·00

(Funds required for these works were found within the total sanctioned grant).

APPENDIX II

APPENDIX

Passenger and other Railway Users' Amenities : The Statement various categories of Passenger and

Railways	Water supply at stations, for the use of passengers, including not only general water supply arrangements which are used for providing wate for use of Railway users in carriages, stations, parcel offices and goods shed premises, but also purification plants installed, water coolers, electric or otherwise, water trollies etc. provided for use of Railway users.	Provision of waiting accommodation including reinforced cement, concrete and other types of benches at stations, parcel offices, goods sheds, etc. including extensions or improvements to existing waiting arrangements to meet the requirements of Railway users.	Refreshment Rooms and vendors' stalls of all descriptions at stations, parcel offices, goods sheds, etc. provided for catering to Railway users, except those which the vendors are required by contract to provide at their own cost.	Provision or improvement of latrines provided for Railway users at stations, parcel offices, goods sheds, etc.	Miscellaneous improvements viz. provision of seats, hedges, shade-trees on platforms at stations, parcel offices and goods sheds etc. to cater to the needs of Railway users.	Raising, extending, widening, surfacing, covering, or other improvements on platforms at stations except when such works are required for other than passenger amenity reasons e.g., extension of platforms at big stations to accommodate full length trains, provision of additional platforms to facilitate crossing of trains.	Improvements and covering of existing over-bridges or subways within station premises to connect platforms or offices at stations, parcel offices, goods sheds, etc. to serve the needs of Railway users.	Provision of bathing facilities at stations for use of passengers.
1	2	3	4	5	6	7	8	9
Central . .	2,00	4,00	1,50	1,20	..	9,43	1,50	70
Eastern . .	2,12	3,46	37	98	..	9,22	64	14
Northern . .	59	5,09	23	1,24	..	7,56	31	..
Northeastern .	60	3,35	78	2,09	25	10,11	62	41
Notheast Frontier	2,85	3,48	1,82	1,90	36	2,07	73	68
Southern . .	4,07	4,55	3,63	2,82	2,65	29,06	2,45	2,70
Southeastern :	7,00	5,00	75	6,00	2,00	8,00	6,00	3,50
Western . .	2,79	5,75	77	3,80	2,00	19,60	1,80	1,97
D.B.K. Railway Projects .	..	..	..	27	5,26	1,09	..	38
TOTAL .	22,02	34,68	9,85	20,30	12,52	96,14	14,05	10,48

II

below shows against each railway the expenditure proposed on other Railway Users' Amenities in 1963-64

(Figures in thousands of rupees)

Provision or improvements of approaches and circulating areas at stations, parcel offices, goods sheds, etc. including improved lighting, tonga—car—taxi—cycle-rikshaw stands, sheds for bullock and other carts, water troughs etc. to cater to the requirements of Railway users.	Improvements to existing carriages such as provision of fans, improved lighting and lavatories, special insulations in roofs, bigger water tanks in carriages, better fittings etc. intended to provide improved facilities for passengers.	Improved lighting and provision of fans on platforms or in waiting halls and sheds or vendors' stalls at stations, parcel offices, goods sheds, etc. to cater to the requirements of Railway users.	Opening of new flag stations or conversion of halts into flag stations, as a passenger facility where there is no financial justification.	Exhibition of sheets time tables in glass fronted frames at stations, to serve the requirements of passengers.	Works under all the above heads meant to cater to Railway users provided in connection with melas, and required for periods exceeding 6 months.	Any other works considered essential for meeting the requirements of Railway users at any station, *e.g.*, provision of information offices or Kiosks, provision of public announcement systems etc.	TOTAL
10	11	12	13	14	15	16	17
2,00	3,67	3,00	..	..	..	1,00	30,00
1,37	6,84	3,07	63	..	..	1,16	30,00
38	3,11	1,89	..	..	20	6,40	27,00
3,28	..	3,25	..	8	..	3,18	28,00
1,99	2,62	50	10	5	..	85	20,00
3,42	55	4,64	2,40	50	..	7,06	70,50
6,00	3,00	5,00	50	..	..	6,25	59,00
4,83	4,28	4,34	12	..	..	1,95	54,00
..	..	..	..	..	..	..	7,00
23,27	24,07	25,69	3,75	63	20	27,85	3,25,50

APPENDIX

Amenities for

WORKS

Railways	New Hospitals, dispensaries and additions and improvements to existing ones.	New Schools and additions, alterations and improvements to existing ones.	New Institutes, Rest Houses, Sports Grounds and Reading Rooms and improvements and additions to existing ones.	Provision and improvement of health and welfare works, childwelfare and maternity centres.	Cooling arrangements for workshops, canteens and Rest Rooms for workmen.	Provision and improvement of sanitation, water supply, road lighting and marketing facilities in Railway Colonies.	Provision for Officers' Quarters.	Improvements and alterations to existing quarters of whatever type.
1	2	3	4	5	6	7	8	9
Central . . .	15,97	40	2,25	4,26	..	15,71	4,00	1,65
Eastern . . .	7,47	1,02	1,64	2,87	66	13,36	1,35	8,09
Northern . .	12,69	69	4,07	..	1,03	6,27	7,17	11,45
Northeastern . .	3,48	1,77	1,17	1,20	..	3,63	50	5,90
Northeast Frontier .	8,82	27	1,13	1,25	65	6,13	2,00	3,89
Southern . .	20,15	2,33	2,24	2,28	2,29	12,46	7,86	13,25
Southeastern . .	8,08	5,90	3,25	7,85	..	14,95	13,72	6,69
Western . . .	14,96	4,67	58	2,25	88	4,50	8,73	31,16
Integral Coach Factory . . .	..	..	..	..	..	..	2,61	..
W.M.S. (Accounts) .	..	3	6	25	45	13	..	10
Chittaranjan Locomotive Works .	..	..	..	..	..	..	..	..
W.M.S. (Accounts) .	25	76	15	50	..	4,40	..	1,98
Diesel Locomotive Works . . .	..	..	2,82	..	..	..	4,25	42
D.B.K. Railway Projects . . .	..	..	..	..	..	..	..	..
TOTAL .	91,62	17,05	19,15	21,96	5,51	77,01	52,19	82,50
W.M.S. (Accounts) .	25	79	21	75	45	4,53	..	2,08

III

Staff in 1963-64

(Figures in thousands of rupees)

				OTHER SERVICES					
Quarters for Class III staff	Quarters for Class IV staff	Other Works	Total	Medical expenses	Health & Welfare Services	Education	Canteens and other staff amenities	Total	Grand Total
10	11	12	13	14	15	16	17	18	19
45,62	55,19	13,95	1,59,00	92,63	60,73	56,42	9,99	2,19,77	3,78,77
62,76	41,78	7,67	1,48,67	79,76	65,35	32,39	8,54	1,86,04	3,34,71
60,73	59,59	2,92	1,66,61	64,68	73,26	37,76	9,24	1,84,94	3,51,55
54,62	11,02	4,85	88,14	39,06	28,50	17,23	4,32	89,11	1,77,25
32,46	48,85	86	1,06,31	38,41	46,06	22,88	3,11	1,10,46	2,16,77
66,17	67,48	4,50	2,01,01	76,20	38,58	38,31	8,02	1,61,11	3,62,12
1,69,33	83,12	3,03	3,15,92	56,36	59,80	62,78	5,37	1,84,31	5,00,23
80,17	22,72	..	1,70,62	86,21	46,25	59,74	8,59	2,00,79	3,71,41
17,60	..	41	20,62	..	..	..	..	..	20,62
..	..	..	1,02	..	..	..	..	..	1,02
27,50	..	..	27,50	..	..	..	..	..	27,50
..	1,00	1,19	10,23	..	..	..	..	..	10,23
48,80	5,25	..	61,54	..	..	..	..	..	61,54
10,22	14,83	..	25,05	..	..	..	..	..	25,05
6,75,98	4,09,83	38,19	14,90,99	5,33,31	4,18,53	3,27,51	57,18	13,36,53	28,27,52
..	1,00	1,19	11,25	..	..	..	..	..	11,25

APPENDIX IV

CAPITAL AND DEPRECIATION RESERVE FUND EXPENDITURE ON OPEN LINES AND NEW CONSTRUCTIONS DURING 1963-64

(Figures in thousands of rupees)

Railways	OPEN LINES						NEW CONSTRUCTIONS					
	Rolling Stock		Other Items		Total		Lines in Progress		New Lines		Total	
	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund
Central	2,75,14	1,01,48	12,68,16	,63,77	15,43,30	10,65,25	2,28,00	..	60,00	..	2,88,00	..
Eastern	4,54,18	84,17	2,47,70	10,38,55	7,01,88	11,22,72	5,11,60	..	..	..	5,11,60	..
Northern	2,15,80	26,34	5,17,57	6,02,08	7,33,37	6,28,42	7,45,60	..	..	..	7,45,60	..
Northeastern	93,80	27,83	1,55,99	,33,23	2,49,79	3,61,06	..	..	..	..	..	..
Northeast Frontier	4,09	..	1,82,77	1,17,97	1,86,86	1,17,97	5,00,69	..	..	..	5,00,69	..
Southern	2,57,68	1,68,06	16,08,02	8,84,69	18,65,70	10,52,75	3,61,33	27,51	50,00	..	4,11,33	27,51
Southeastern	30,77	49,45	20,81,01	8,04,60	21,11,78	8,54,05	2,56,82	..	..	..	2,56,82	..
Western	3,23,63	78,99	2,67,01	6,37,66	5,90,64	7,16,65	4,85,00	..	..	..	4,85,00	..
Chittaranjan Locomotive Works	..	..	3,89,99	13,67	3,89,99	13,67	..	..	..	..	..	..

Integral Coach Factory (Perambur)	..	..	68,98	..	68,98	..	..	..	..	..	..	..
Railway Electrification . . .	..	..	..	..	..	..	20,74,22	..	80,00	..	21,54,22	..
Diesel Locomotive Works (Varanasi)	..	..	6,33,57	..	6,33,57	..	..	..	..	..	..	..
Dandakaranya Bolangir Kiriburu Railway Projects . . .	..	..	4,15,58	3,00	4,15,58	3,00	15,41,57	..	..	..	15,41,57	..
Railway Board	76,50,00	21,00,00	50,00	..	77,00,00	21,00,00	..	..	..	..	..	...
TOTAL . . .	93,05,09	26,36,32	78,86,35	53,99,22	171,91,44	80,35,54	67,04,83	27,51	1,90,00	..	68,94,83	27,51
Probable Savings . . .	..	..	..	..	—18,92,27	—1,63,05	..	..	..	..	—3,44,00	..
TOTAL—OPEN LINES AND NEW CONSTRUCTIONS . .	..	..	..	..	152,99,17	67,72,49	..	..	..	..	65,50,83	27,51

APPENDIX V

DEVELOPMENT FUND EXPENDITURE ON OPEN LINE WORKS AND RESTORATIONS DURING 1963-64

(Figures in thousands of rupees)

Railways	Open Line Works			Restorations		
	Works in Progress	New Works	Total	Lines in Progress	New Works	Total
Central . . .	4,32,84	79,96	5,12,80	..	..	..
Eastern . . .	3,21,57	32,30	3,53,87	..	..	..
Northern . . .	1,75,99	74,66	2,50,65	2,64	..	2,64
Northeastern . .	1,67,80	23,15	1,90,95	..	..	..
Northeast Frontier .	4,07,89	24,50	4,32,39	..	..	..
Southern . . .	4,61,36	95,40	5,56,76	..	..	..
Southeastern . .	4,18,06	1,13,83	5,31,89	..	..	..
Western . . .	4,37,17	1,27,20	5,64,37	..	..	..
D.B.K. Railway Projects	32,05	..	32,05	..	..	..
Railway Electrification .	21,63	..	21,63	..	..	..
TOTAL .	28,76,36	5,71,00	34,47,36	2,64	..	2,64
Probable Savings .	..	..	—8,49,35	..	..	—65
Net .	..	..	25,98,01	..	..	1,99

APPENDIX VI

CAPITAL-AT-CHARGE ON INDIAN GOVERNMENT RAILWAYS, ETC.

(In thousands of rupees)

Railways	1961-62	1962-63	1963-64
1. Central	264,43	291,41	308,02
2. Eastern	232,36	263,82	274,42
3. Northern	241,23	265,76	279,28
4. Northeastern	84,37	87,86	90,06
5. Northeast Frontier	99,40	112,35	118,80
6. Southern	211,19	232,31	252,93
7. Southeastern	235,44	274,83	295,91
8. Western	210,48	225,30	234,87
9. Chittaranjan Locomotive Works	22,15	24,55	27,93
10. Integral Coach Factory	8,68	7,58	8,14
11. Railway Electrification	54,36	62,69	83,14
12. Loco Components Works 13. Diesel Locomotive Works	1,98	3,32	9,00
14. Dandakaranya-Bolangir-Kiriburu Railway Projects	13,79	29,77	48,03
15. Railway Board and other Miscellaneous items	3,12	4,01	73,53
TOTAL	1682,98	1885,56	2104,06

Notes

1.—The figures against the Eastern, Northern, Northeastern and Northeast Frontier Railways include the estimated Capital-at-Charge of the portions of the ex-Assam Railway, ex-Eastern Punjab Railway and ex-Bengal Assam Railway.

2.—The Capital-at-Charge of ex-States lines amalgamated with Government Railways, during 1949-50 and of worked lines which vested in the Centre from 1-4-1950 amounting to about Rs. 63·76 crores, which has been added to the capital of the respective Railways of which they now form part is still provisional.

3. (*a*) The Capital-at-Charge to end of 1961-62 includes an amount of Rs. 16·81 crores due to the *ad hoc* transfer of the expenditure to end of 1960-61 on the new lines under construction on 1-4-1955 viz., Khandwa-Hingoli on Central Railway and Quilon-Ernakulam on Southern Railway from Development Fund, in terms of the accepted recommendations of the Railway Convention Committee, 1960 ; Rs. 0·39 crore due to erroneous transfer of the cost of the works Bhagalpur-Mandar Hill restoration on Eastern Railway, and 0·09 crore relating to conversion of Adipur-Bhuj on Western Railway ; Rs. 0·01 crore on account of modifications made in the *ad hoc* Capital-at-Charge of the pre-partition period and excludes Rs. 0·09 crore due to write back from Development Fund of the erroneous adjustments relating to transfer of the cost of Class III and IV quarters forming part of a scheme.

(*b*) The Capital-at-Charge to end of 1962-63 includes an amount of Rs. 0·11 crore due to proposed transfer of the cost of the new line Bobbili-Salur on Southeastern Railway as it has since been assessed to be remunerative, Rs. 0·01 crore due to proposed revision of the *ad hoc* Capital-at-Charge of the pre-partition period and excludes Rs. 0·48 crore due to proposed write back to Development Fund of the erroneous adjustment made in 1961-62 relating to the works "Restoration of Bhagalpur-Mandar Hill" on Eastern Railway and conversion of "Adipur-Bhuj" on Western Railway and Rs. 0·06 crore due to proposed revision of the ex.-Sourashtra State Railway Balances.

APPENDIX VII

CENTRAL RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	2,87,73	3,63,79	3,48,21	3,62,49	4,21,38	4,38,00	4,62,90	4,79,20
Third	18,69,21	17,28,46	19,64,39	21,54,14	24,76,85	26,92,40	26,57,80	27,45,50
(*ii*) Other Coaching	6,80,56	6,64,76	6,35,26	7,44,13	8,05,13	7,93,90	9,47,90	10,73,50
(*b*) Goods	41,93,61	44,16,47	49,80,71	54,43,01	54,75,23	57,77,40	59,73,10	64,37,60
(*c*) Sundry Other Earnings	1,61,34	1,85,48	1,99,64	2,70,02	2,93,98	3,00,10	3,34,40	3,31,40
TOTAL	71,92,45	73,58,96	81,28,21	89,73,79	94,72,57	100,01,80	103,76,10	110,67,20
Suspense	25,42	11,34	2,24	—59,71	65,37	..	—25,00	—25,00
Gross Traffic Receipts*	72,17,87	73,70,30	81,30,45	89,14,08	95,37,94	100,01,80	103,51,10	110,42,20
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	4,85,07	5,13,34	5,22,29	5,70,95	5,68,27	6,29,84	6,20,46	6,44,66
(*ii*) Repairs and Maintenance	15,97,88	15,62,22	15,78,51	16,78,31	16,87,30	19,23,68	19,44,80	20,92,56
(*iii*) Operating Staff	8,70,72	9,08,02	9,02,59	10,10,12	10,28,87	11,35,62	11,78,77	12,55,89
(*iv*) Operation (Fuel)	8,74,77	9,71,78	10,24,16	11,57,90	13,03,59	14,03,07	14,48,31	15,38,96
(*v*) Operation other than staff and Fuel	3,04,50	2,83,67	3,31,59	3,11,88	3,23,05	3,75,91	4,31,25	4,18,62
(*vi*) Miscellaneous Expenses	2,83,65	3,64,30	3,64,33	4,60,56	4,82,69	4,39,74	5,03,07	4,35,50
(*vii*) Labour Welfare	1,21,79	1,37,37	1,41,90	1,50,65	1,62,10	1,84,48	1,87,91	2,19,77
TOTAL	45,38,38	47,40,70	48,65,37	53,40,37	55,55,87	60,92,34	63,14,57	66,05,96
Suspense	—46,10	—63,92	—19,61	—51,54	—3,35	—22,70	—14,88	—16,68
TOTAL—ORDINARY WORKING EXPENSES	44,92,28	46,76,78	48,45,76	52,88,83	55,52,52	60,69,64	62,99,69	65,89,28

Appropriation to Depreciation Reserve Fund	8,57,97	8,42,79	8,13,32	7,75,65	10,83,08	10,66,34	10,75,65	12,62,82
Payments to Worked Lines—								
(i) Net earnings	8,95	9,15	8,18	9,09	9,46	9,14	9,30	9,41
(ii) Rebate etc.	..	..	..	..	..	..	..	..
TOTAL—WORKING EXPENSES	53,59,20	55,28,72	56,67,26	60,73,57	66,45,06	71,45,12	73,84,64	78,61,51
Net Traffic Receipts	18,58,67	18,41,58	24,63,19	28,40,51	28,92,88	28,56,68	29,66,46	31,80,69
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other receipts from subsidised companies	1,98	2,08	1,59	2,05	2,24	2,08	2,16	2,22
(ii) Other Miscellaneous Receipts	2	60,30	16,07	35,14	32,31	1,58	6,19	51
TOTAL—RECEIPTS	2,00	62,38	17,66	37,19	34,55	3,66	8,35	2,73
(b) Expenditure—								
(i) Land	..	..	..	..	..	..	..	..
(ii) Surveys	3,77	40	3,25	4,82	1,62	2,59	6,10	4,46
(iii) Open Line Works—Revenue	1,76,58	1,90,11	2,11,27	2,44,54	1,51,20	1,78,36	1,66,34	1,55,30
TOTAL—EXPENDITURE	1,80,35	1,90,51	2,14,52	2,49,36	1,52,82	1,80,95	1,72,44	1,59,76
Net Miscellaneous Receipts	—1,78,35	—1,28,13	—1,96,86	—2,12,17	—1,18,27	—1,77,29	—1,64,09	1,57,03
Net Revenue	16,80,32	17,13,45	22,66,33	26,28,34	27,74,61	26,79,39	28,02,37	30,23,66
(i) Dividend to General Revenues	8,12,83	8,94,64	9,43,70	9,48,02	10,28,42	10,70,16	11,13,24	12,66,27
(ii) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	2,40,11	2,30,00	2,33,24	2,33,68
Profit (+) and loss (—) for the year	8,67,49	8,18,81	13,22,63	16,80,32	15,06,08	13,79,23	14,55,89	15,23,71
*Includes receipts of Worked Lines	16,27	16,63	14,87	16,53	17,20	16,62	16,91	17,11

APPENDIX VII—*contd.*

EASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	1,27,44	1,41,39	1,56,67	1,62,24	2,00,53	2,24,90	2,10,80	2,18,40
Third	12,18,63	12,24,77	14,03,47	15,41,38	17,21,96	19,41,60	18,65,70	19,07,90
(*ii*) Other Coaching	2,21,27	2,13,37	2,58,57	2,80,11	3,05,09	3,13,10	3,18,80	3,59,00
(*b*) Goods	34,48,54	37,22,79	40,96,60	43,40,65	46,62,21	51,13,60	52,47,40	59,68,80
(*c*) Sundry Other Earnings	1,35,02	1,57,33	1,82,24	1,99,64	2,13,79	2,09,90	2,15,50	2,18,50
TOTAL	51,50,90	54,59,65	60,97,55	65,24,02	71,03,58	78,03,10	78,58,20	86,72,60
Suspense	—5,88	—50,28	14,98	18	—44,14	—20,00	—30,00	—20,00
Gross Traffic Receipts	51,45,02	54,09,37	61,12,53	65,24,20	70,59,44	77,83,10	78,28,20	86,52,60
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	5,18,56	5,56,16	5,65,66	6,09,34	6,12,24	6,66,87	6,78,75	6,97,19
(*ii*) Repairs and Maintenance	14,30,79	13,77,40	13,45,91	14,72,61	14,48,33	16,48,40	15,50,68	16,19,86
(*iii*) Operating staff	7,99,28	8,35,77	8,23,93	8,90,73	9,18,02	9,99,69	10,46,12	10,79,47
(*iv*) Operation (Fuel)	4,74,94	5,50,13	5,90,41	6,23,96	6,79,87	6,87,63	7,31,94	8,51,07
(*v*) Operation other than Staff and Fuel	1,24,84	1,25,35	1,48,69	1,83,27	1,56,55	2,03,27	2,12,15	2,42,58
(*vi*) Miscellaneous Expenses	3,24,16	3,45,34	3,59,77	3,91,83	4,08,18	3,79,46	4,53,43	4,32,65
(*vii*) Labour Welfare	92,31	1,07,53	1,10,40	1,38,80	1,50,13	1,71,11	1,75,17	1,86,04
TOTAL	37,64,88	38,97,68	39,44,77	43,10,54	43,73,32	47,56,43	48,48,24	51,08,86
Suspense	—10,26	—5,26	—46,64	—21,15	—15,48	—15,55	—10,22	—13,78
TOTAL—ORDINARY WORKING EXPENSES	37,54,62	38,92,42	38,98,13	42,89,39	43,57,84	47,40,88	48,38,02	50,95,08

Appropriation to Depreciation Reserve Fund	6,32,91	6,48,30	6,41,93	6,88,34	9,56,23	10,05,80	10,93,16	13,29,77
TOTAL—WORKING EXPENSES	43,87,53	45,40,72	45,40,06	49,77,73	53,14,07	57,46,68	59,31,18	64,24,85
Net Traffic Receipts	7,57,49	8,68,65	15,72,47	15,46,47	17,45,37	20,36,42	18,97,02	22,27,75
Miscellaneous Transactions—								
(*a*) Receipts—								
(*i*) Other receipts from subsidised companies	1	..	..	..	..	..	42	..
(*ii*) Other Miscellaneous Receipts	5,01	34,50	16,72	36,84	51,81	29	20,68	6,52
TOTAL—RECEIPTS	5,02	34,50	16,72	36,84	51,81	29	21,10	6,52
(*b*) Expenditure—								
(*i*) Land	..	..	..	..	..	..	..	..
(*ii*) Surveys	1,30	—98	23	—3,83	—4,72	25	45	2,82
(*iii*) Open Line Works—Revenue	1,21,30	87,89	96,81	98,87	94,21	1,49,27	1,31,81	1,73,10
TOTAL—EXPENDITURE	1,22,60	86,91	97,04	95,04	89,49	1,49,52	1,32,26	1,75,92
Net Miscellaneous Receipts	—1,17,58	—52,41	—80,32	—58,20	—37,68	—1,49,23	—1,11,16	—1,69,40
Net Revenue	6,39,91	8,16,24	14,92,15	14,88,27	17,07,69	18,87,19	17,85,86	20,58,35
(*i*) Dividend to General Revenues	6,06,52	6,81,13	7,73,76	7,53,39	8,59,14	9,23,71	9,43,49	10,68,53
(*ii*) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	1,59,28	1,56,00	1,55,19	1,54,08
Profit (+) and loss (—) for the year	33,39	1,35,11	7,18,39	7,34,88	6,89,27	8,07,48	6,87,18	8,35,74

APPENDIX VII—*contd.*

NORTHERN RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
Coaching—								
(*a*) (*i*) Passengers—								
Upper	2,50,37	2,41,31	2,94,13	2,80,54	2,84,58	3,24,90	3,30,80	3,44,00
Third	20,55,26	18,21,68	20,52,37	20,92,68	23,43,39	26,35,70	26,80,70	27,31,90
(*ii*) Other Coaching	3,27,52	3,42,96	3,23,60	3,57,76	4,05,01	3,94,80	4,01,60	4,45,10
(*b*) Goods	33,06,29	35,21,96	35,29,16	35,40,37	39,50,35	42,96,40	42,96,40	46,99,40
(*c*) Sundry Other Earnings	1,21,67	1,25,82	1,29,79	1,75,07	1,85,61	1,85,00	1,87,20	1,93,00
TOTAL	60,61,11	60,53,73	63,29,05	64,46,42	71,68,94	78,36,80	78,96,70	84,13,40
Suspense	4,72	—3,78	—17,08	—11,56	8,67	—2,00	5,00	1,00
Gross Traffic Receipts	60,65,83	60,49,95	63,11,97	64,34,86	71,77,61	78,34,80	79,01,70	84,14,40
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	5,14,45	5,28,19	5,29,00	5,65,20	5,74,33	6,38,24	6,39,98	6,47,67
(*ii*) Repairs and Maintenance	12,86,96	12,80,17	14,06,13	14,85,01	14,41,18	16,86,55	16,59,00	16,98,42
(*iii*) Operating staff	8,48,57	8,85,09	9,02,04	10,07,40	9,89,33	10,86,50	11,08,58	11,43,16
(*iv*) Operation (Fuel)	6,80,01	7,50,40	8,34,73	8,83,74	10,86,13	11,41,92	11,34,54	12,31,49
(*v*) Operation other than Staff and Fuel	2,42,24	2,37,72	1,85,51	1,90,35	2,28,71	2,30,55	2,14,67	2,53,93
(*vi*) Miscellaneous Expenses	2,44,98	2,72,44	2,65,20	3,08,16	4,15,33	3,67,90	4,54,52	4,55,17
(*vii*) Labour Welfare	1,13,43	1,23,15	1,27,24	1,47,51	1,52,62	1,78,32	1,78,50	1,84,94
TOTAL	39,30,64	40,77,16	42,49,85	45,87,37	48,87,63	53,29,98	53,89,79	56,14,78
Suspense	—4,94	—6,30	14,89	—21,41	—3,19	—3,64	—13,91	—5,92
TOTAL—ORDINARY WORKING EXPENSES	39,25,70	40,70,86	42,64,74	45,65,96	48,84,44	53,26,34	53,75,88	56,08,86

Appropriation to Depreciation Reserve Fund	7,16,12	6,99,45	6,99,76	6,88,23	10,07,10	10,40,42	9,81,74	11,52,48
Payments to Worked Lines :								
(*i*) Net earnings	..	..	..	..	..	..	..	..
(*ii*) Rebate, etc.	..	..	..	..	..	..	..	..
TOTAL—WORKING EXPENSES	46,41,82	47,70,31	49,64,50	52,54,19	58,91,54	63,66,76	63,57,62	67,61,34
Net Traffic Receipts	14,24,01	12,79,64	13,47,47	11,80,67	12,86,07	14,68,04	15,44,08	16,53,06
Miscellaneous Transactions—								
(*a*) Receipts—								
(*i*) Other receipts from subsidised companies	3,03	..	..	63	..	6	..	..
(*ii*) Other Miscellaneous Receipts	1,82	75,70	21,52	74,24	43,50	2,50	15,42	3,22
TOTAL—RECEIPTS	4,85	75,70	21,52	74,87	43,50	2,56	15,42	3,22
(*b*) Expenditure—								
(*i*) Land	..	..	..	..	..	..	..	..
(*ii*) Surveys	2,44	—1,14	1,55	1,11	7,56	5,16	9,70	8,56
(*iii*) Open Line Works—Revenue	2,16,71	1,97,56	2,12,58	1,69,85	1,14,68	1,18,22	1,20,43	1,38,42
TOTAL—EXPENDITURE	2,19,15	1,96,42	2,14,13	1,70,96	1,22,24	1,23,38	1,30,13	1,46,98
Net Miscellaneous Receipts	—2,14,30	—1,20,72	—1,92,61	—96,09	—78,74	—1,20,82	—1,14,71	—1,43,76
Net Revenue	12,09,71	11,58,92	11,54,86	10,84,58	12,07,33	13,47,22	14,29,37	15,09,30
(*i*) Dividend to General Revenues	6,59,30	7,52,86	7,88,78	7,97,33	8,89,99	9,42,39	9,54,56	10,64,08
(*ii*) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	2,17,72	2,33,00	2,25,67	2,22,89
Profit (+) and loss (—) for the year	5,50,41	4,06,06	3,66,08	2,87,25	99,62	1,71,83	2,49,14	2,22,33

APPENDIX VII—*contd.*

NORTHEASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	@ Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	90,44	68,67	59,53	54,42	60,48	71,50	69,90	73,30
Third	11,19,58	8,48,68	7,65,20	7,41,70	9,55,94	10,55,40	10,60,30	10,99,70
(*ii*) Other Coaching	2,04,97	1,20,73	1,43,16	1,35,45	1,18,59	1,20,20	1,37,50	1,51,70
(*b*) Goods	18,06,48	7,69,88	6,19,43	10,64,48	11,63,66	12,20,60	12,02,80	13,60,40
(*c*) Sundry Other Earnings	90,63	52,59	48,98	85,12	69,48	77,00	78,00	78,00
TOTAL	33,12,10	18,87,55	16,36,30	20,81,17	23,68,15	25,44,70	25,48,50	27,63,10
Suspense	−65,65	90,05	−31,85	−26,33	8,84	2,00	9,00	13,00
Gross Traffic Receipts*	32,46,45	19,77,60	16,04,45	20,54,84	23,76,99	25,46,70	25,57,50	27,76,10
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	4,26,79	2,80,45	2,88,00	3,03,74	2,92,99	3,27,06	3,21,83	3,27,57
(*ii*) Repairs and Maintenance	10,93,40	6,18,63	6,66,09	6,81,80	6,55,47	7,67,59	7,18,87	7,40,97
(*iii*) Operating Staff	6,95,95	4,27,41	4,30,35	4,72,85	4,57,99	5,12,57	5,03,00	5,13,92
(*iv*) Operation (Fuel)	4,31,54	2,84,92	2,92,44	3,17,06	3,34,86	3,44,84	3,58,05	3,74,83
(*v*) Operation other than Staff and Fuel	2,02,90	1,57,74	2,00,40	1,78,85	1,35,92	1,89,49	1,59,84	1,94,27
(*vi*) Miscellaneous Expenses	1,39,46	1,09,30	1,24,06	1,60,96	1,58,38	1,53,81	1,81,53	1,75,99
(*vii*) Labour Welfare	1,08,45	57,72	62,21	70,56	73,38	83,03	78,69	89,11
TOTAL	30,98,49	19,36,17	20,63,55	21,85,82	21,08,99	23,78,39	23,21,81	24,16,66
Suspense	7,31	−14,49	−10,29	−45,30	−13,18	−15,92	−26,68	−12,76
TOTAL—ORDINARY WORKING EXPENSES	31,05,80	19,21,68	20,53,26	21,40,52	20,95,81	23,62,47	22,95,13	24,03,90

Appropriation to Depreciation Reserve Fund	5,24,38	2,76,98	2,70,41	2,64,11	3,77,48	3,73,06	3,43,21	3,8 0,73
Payments to Worked Lines :								
(i) Net earnings	2,58	..	..	..	..	..	..	..
(ii) Rebate, etc.	..	..	..	..	..	..	..	..
TOTAL—WORKING EXPENSES	36,32,76	21,98,66	23,23,67	24,04,63	24,73,29	27,35,53	26,38,34	27,84,63
Ne t Tffic Receipts	—3,86,31	—2,21,06	—7,19,22	—3,49,79	—96,30	—1,88,83	—80,84	—8,53
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other receipts from subsidised companies	3	..	..	36	88	12	..	1
(ii) Other Miscellaneous Receipts	..	16,94	8,12	12,26	11,79	27	3,36	1
TOTAL—RECEIPTS	3	16,94	8,12	12,62	12,67	39	3,36	2
(b) Expenditure—								
(i) Surveys	1,38	7	—2	—16	3	..	6	..
(ii) Open Line Works—Revenue	75,39	79,12	94,92	1,02,92	1,06,74	1,49,83	1,15,31	99,51
TOTAL EXPENDITURE	76,77	79,19	94,90	1,02,76	1,06,77	1,49,83	1,15,37	99,51
Net Miscellaneous Receipts	—76,74	—62,25	—86,78	—90,14	—94,10	—1,49,44	—1,12,01	—99,49
Net Revenue	—4,63,05	—2,83,31	—8,06,00	—4,39,93	—1,90,40	—3,38,27	—1,92,85	—1,08,02
(i) Dividend to General Revenues	4,83,72	2,96,33	3,11,43	3,37,34	3,54,61	3,75,66	3,62,85	—3,96,38
(ii) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	84,21	82,00	84,47	85,00
Profit (+) and loss (—) for the year	—9,46,77	—5,79,64	—11,17,43	—7,77,27	—6,29,22	—7,95,93	—6,40,17	—5,89,40
*Include receipts of Worked Lines	5,16	..	..	..	..	..	..	

@Include the figures for the N. F. Rly. formed with effect from 15-1-1958.

One of the significant features of the Northeastern Railway is the expenditure on the maintenance and operation of the large transhipment points at Garhara and Manduadih, for which the Railway does not get a proportionate share of earnings, under the present basis of apportionment of through traffic. Though similar factors do affect all the Railways the financial effect of the special features adversely affecting the financial position of the North-eastern Railway is as much as Rs. 1 crore.

APPENDIX VII—*contd.*

NORTHEAST FRONTIER RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	..	27,54	27,78	34,46	41,07	51,70	35,40	39,80
Third	..	3,28,56	3,63,23	4,08,03	4,50,98	4,92,10	5,35,30	5,61,10
(*ii*) Other Coaching	..	82,83	1,29,54	1,06,85	1,31,16	1,32,70	1,37,00	1,50,00
(*b*) Goods	..	7,53,69	7,48,22	7,59,33	8,68,86	9,38,00	10,15,70	11,75,10
(*c*) Sundry Other Earnings	..	46,09	35,50	19,25	40,38	40,00	43,50	44,00
TOTAL	..	12,38,71	13,04,27	13,27,92	15,32,45	16,54,50	17,66,90	19,70,00
Suspense	..	—79,97	36,61	18,55	11,36	—25,00	—10,00	—10,00
Gross Traffic Raceipts*	..	11,58,74	13,40,88	13,46,47	15,43,81	16,29,50	17,56,90	19,60,00
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	..	1,59,03	1,79,50	2,02,83	2,15,89	2,44,25	2,43,14	2,61,10
(*ii*) Repairs and Maintenance	..	5,78,76	5,81,18	5,74,64	5,68,49	6,11,83	6,56,14	7,02,77
(*iii*) Operating Staff	..	3,02,85	3,00,74	3,20,53	3,41,91	4,07,39	4,11,89	4,26,57
(*iv*) Operation (Fuel)	..	1,76,96	2,29,03	2,39,48	2,89,83	2,93,74	3,28,13	3,13,36
(*v*) Operation other than Staff and Fuel	..	80,44	1,10,39	1,32,68	1,20,00	1,34,37	1,55,83	1,65,28
(*vi*) Miscellaneous Expenses	..	88,65	1,10,16	1,10,86	1,34,39	1,45,88	1,73,90	1,85,77
(*vii*) Labour Welfare	..	61,34	66,00	80,42	85,31	1,07,74	1,02,99	1,10,46
TOTAL	..	14,48,03	15,77,00	16,61,44	17,55,82	19,45,20	20,72,02	21,65,31
Suspense	..	—73	45,04	—19,28	6,29	3,20	—19,70	—18,16
TOTAL—ORDINARY WORKING EXPENSES	..	14,47,30	16,22,04	16,42,16	17,62,11	19,48,40	20,52,32	21,47,15

Appropriation to Depreciation Reserve Fund	..	2,26,48	2,15,49	2,22,81	3,71,23	4,21,78	4,04,35	4,86,88
Payments to Worked Lines :								
(i) Net earnings	..	2,80	3,08	2,67	2,75	2,71	2,66	2,81
(ii) Rebate	..	..	..	..	11	12	29	18
TOTAL—WORKING EXPENSES	..	16,76,58	18,40,61	18,67,64	21,36,20	23,73,01	24,59,62	26,37,02
Net Traffic Receipts	..	—5,17,84	—4,99,73	—5,21,17	—5,92,39	—7,43,51	—7,02,72	—6,77,02
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other rceeipts from subsidised companies	..	12	..	38	—24	2	9	13
(ii) Other Miscellaneous Reeeipts	..	5,11	5,00	—10	6,37	..	1,37	37
TOTAL—RECEIPTS	..	5,23	5,00	28	6,13	2	1,46	50
(b) Expenditure—								
(i) Land	..	..	..	..	..	..	..	..
(ii) Surveys	..	1,38	1,35	1,31	27	—11	—1	..
(iii) Open Line Works—Revenue	..	42,79	65,81	81,48	73,21	79,63	97,13	69,40
TOTAL—EXPENDITURE	..	44,17	67,16	82,79	73,48	79,52	97,06	69,40
Net Miscellaneous Reeiptsl	..	—38,94	—62,16	—82,51	—67,35	—79,50	—95,60	—68,90
Net Revenua	..	—5,56,78	—5,61,89	—6,03,68	—6,59,74	—8,23,01	—7,98,32	—7,45,92
(i) Dividend to General Revenues	..	2,42,59	2,52,87	2,60,86	2,83,54	3,17,22	3,23,74	3,48,70
(ii) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	40,77	39,00	42,65	43,54
Profit (÷)fand loss (—) for the year	..	7,99,37	—8,14,76	—8,64,54	—9,84,05	—11,79,23	—11,64,71	—11,38,16
*Include receipts of Worked Lines.	..	5,60	6,16	5,34	5,50	5,42	5,34	5,62

NOTE.—N. F. Railway Zone has been forwarded with effect from 15-1-1958.

APPENDIX VII—*contd.*

SOUTHERN RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	2,29,38	2,46,48	2,42,27	2,40,17	2,84,13	3,08,40	3,00,00	3,04,90
Third	17,54,34	17,22,45	17,92,67	19,66,24	22,70,19	24,83,20	25,16,30	25,48,90
(*ii*) Other Coaching	3,88,39	3,74,95	4,01,15	4,14,63	4,26,86	4,59,30	4,85,90	5,08,90
(*b*) Goods	27,63,27	29,61,85	32,52,28	34,61,71	36,64,93	41,42,10	39,45,10	43,92,50
(*c*) Sundry Other Earnings	1,36,23	1,71,11	1,75,33	2,03,17	2,15,67	2,20,20	2,24,70	2,21,70
TOTAL	52,71,61	54,76,84	58,63,70	62,85,92	68,61,72	76,13,20	74,72,00	79,76,90
Suspense	—18,20	26,17	4,89	—3,61	—4,44	..	—7,00	..
Gross Traffic Receipts*	52,53,41	55,03,01	58,68,59	62,82,31	68,57,28	76,13,20	74,65,00	79,76,90
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	4,72,70	4,92,38	4,92,27	5,20,70	5,17,79	5,62,13	5,50,47	5,61,87
(*ii*) Repairs and Maintenance	12,68,36	13,10,36	12,96,35	14,01,00	14,32,09	15,87,22	15,62,42	16,04,93
(*iii*) Operating Staff	8,51,91	9,25,39	9,30,26	10,12,78	10,12,88	11,35,79	11,30,73	11,52,16
(*iv*) Operating (Fuel)	11,63,92	11,72,66	12,64,75	12,63,37	12,26,91	11,75,98	13,19,30	14,66,69
(*v*) Operation other than Staff and Fuel	1,97,32	1,83,84	2,29,36	2,80,42	2,68,10	2,90,67	3,08,30	3,04,66
(*vi*) Miscellaneous Expenses	4,11,81	2,84,68	3,04,25	3,87,81	4,27,11	4,11,14	4,47,06	3,70,23
(*vii*) Labour Welfare	78,89	94,44	1,03,44	1,17,88	1,23,19	1,49,98	1,45,90	1,61,11
TOTAL	44,44,91	44,63,75	46,20,68	49,83,96	50,08,07	53,12,91	54,64,18	56,21,65
Suspense	—15,56	—26,36	—18,06	—8,09	10,09	2,31	—5,60	9,03
TOTAL—ORDINARY WORKING EXPENSES	44,29,35	44,37,39	46,02,62	49,75,87	50,18,16	53,15,22	54,58,58	56,30,68

Appropriation to Depreciation Reserve Fund	6,35,79	6,17,30	6,00,99	5,96,55	8,56,66	8,89,37	8,59,11	10,06,70
Payments to Worked Lines :								
(a) Net earnings	14,82	—1,59	—2,15	—3,27	5,26	2,29	1,46	1,46
(b) Rebate etc.	..	84	60	69	3	17	72	41
TOTAL—WORKING EXPENSES	50,77,96	50,54,00	52,02,06	55,69,84	58,80,11	62,07,65	63,19,87	66,39,25
Net Traffic Receipts	1,75,45	4,49,01	6,66,53	7,12,47	9,77,17	14,05,55	11,45,13	13,37,65
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other receipts from subsidised companies	..	..	..	..	..	..	..	..
(ii) Other Miscellaneous Receipts	3	92,71	18,42	96,73	33,43	16	5,46	40
TOTAL RECEIPTS	3	92,71	18,42	96,73	33,43	16	5,46	40
(b) Expenditure—								
(i) Surveys	—3,37	1,42	44	51	3,38	14,23	12,57	5,57
(ii) Open Line Works—Revenue	1,39,40	1,58,38	1,64,11	1,58,65	1,87,10	2,44,16	2,23,74	2,46,34
TOTAL EXPENDITURE	1,36,03	1,59,80	1,64,45	1,59,16	1,90,48	2,58,39	2,36,31	2,51,91
Net Miscellaneous	—1,36,00	—67,09	—1,46,03	—62,43	—1,57,05	—2,58,23	—2,30,85	—2,51,51
Net Revenue	39,45	3,81,92	5,20,50	6,50,04	8,20,12	11,47,32	9,14,28	10,86,14
(i) Dividend to General Revenues	5,97,03	6,65,32	7,09,49	7,31,52	8,28,82	9,19,71	9,08,25	10,69,37
(ii) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	2,11,62	2,03,00	2,09,89	2,06,79
Profit (+) and Loss (—) for the year	—5,57,58	—2,83,40†	—1,88,99	—81,48	—2,20,32	24,61	—2,03,86†	—1,90,02
*Include receipts of Worked Lines	31,38	27,38	26,08	33,14	35,25	33,65	31,25	28,85

†Excluding a fortuitous credit on account of arrears pertaining to earlier years, the figure of net deficit in 1958-59 was Rs. 4·45 crores.

‡The net working result of the Southern Railway according to the Revised estimates for 1962-63 show a loss as compared with the Budget estimates for 1962-63, though this is expected to be less than the loss during 1961-62. This is because of certain post budgetary factors—especially the increase in the price of coal and receipt of much greater proportion of inferior grades of coal on the Southern Railway than in the past, resulting in higher consumption of coal (this affects the Southern Railway more than other Railways as the overall cost including freight, etc. is greater on Southern Railway) All these have considerably increased the working expenses of the Railway, while the traffic earnings are not expected now to come up to he budgeted level for the current year (1962-63).

APPENDIX VII—*contd*

SOUTHEASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	1,19,32	1,29,71	1,35,54	1,26,99	1,61,90	1,74,10	1,74,00	1,87,50
Third	7,39,66	7,46,57	7,99,71	7,60,67	8,86,18	9,61,00	10,25,80	10,87,90
(*ii*) Other Coaching	2,79,37	2,65,92	3,17,74	3,20,28	3,08,76	3,24,00	3,28,40	3,61,70
(*b*) Goods	36,72,80	38,66,38	44,44,05	52,22,19	58,39,57	65,30,90	65,55,80	76,22,00
(*c*) Sundry Other Earnings	1,00,70	1,05,16	1,40,53	1,43,82	1,38,93	1,43,80	1,30,50	1,41,50
TOTAL	49,11,85	51,13,74	58,37,57	65,73,95	73,35,34	81,33,80	82,14,50	94,00,60
Suspense	—89,77	—1,00,19	—3,02	34,74	—34,26	—70,00	—60,00	—70,00
Gross Traffic Receipts	48,22,08	50,13,55	58,34,55	66,08,69	73,01,08	80,63,80	81,54,50	93,30,60
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	3,84,30	4,29,16	4,40,98	4,72,43	4,79,12	5,34,59	5,39,40	5,70,60
(*ii*) Repairs and Maintenance	10,73,86	10,61,76	10,55,89	11,28,23	11,79,76	13,49,92	14,10,52	15,21,55
(*iii*) Operating Staff	5,52,83	5,95,30	6,13,45	6,65,10	6,94,29	7,78,98	7,93,57	8,61,82
(*iv*) Operation (Fuel)	4,20,61	4,37,97	5,65,78	6,69,32	7,20,13	9,04,75	8,36,34	9,46,19
(*v*) Operation other than Staff and Fuel	1,55,00	1,95,78	2,34,07	2,75,56	2,81,42	3,16,39	2,71,90	2,99,56
(*vi*) Miscellaneous Expenses	1,99,79	2,11,40	2,19,34	2,64,72	2,86,74	2,72,15	3,19,30	2,78,93
(*vii*) Labour Welfare	96,47	1,09,07	1,13,91	1,30,84	1,34,57	1,57,97	1,60,27	1,84,31
TOTAL	28,82,86	30,76,44	32,43,42	36,06,20	37,76,03	43,13,75	43,31,36	46,62,96
Suspense	—32,90	—13,12	—50,54	—19,11	—12,61	—10,49	—8,20	—7,99
TOTAL—ORDINARY WORKING EXPENSES	28,49,96	30,63,32	31,92,88	35,87,09	37,63,42	43,04,26	43,23,16	46,54,97

Appropriation to Depreciation Reserve Fund	5,00,22	5,65,14	6,1898	6,41,00	9,53,02	10,13,87	10,86,57	14,04,29
TOTAL—WORKING EXPENSES	33,50,18	36,28,46	38,11,86	42,28,09	47,16,44	53,18,13	54,09,73	60,59,26
Net Traffic Receipts	14,71,90	13,85,09	20,22,69	23,80,60	25,84,64	27,45,67	27,44,77	32,71,34
Miscellaneous Transactions—								
(*a*) Receipts—								
(*i*) Other receipts from subsidised companies	..	..	..	..	..	..	..	..
(*ii*) Other Miscellaneous Receipts	2	18,03	4,72	33,28	37,78	5	10,61	2,60
TOTAL RECEIPTS	2	18,03	4,72	33,28	37,78	5	10,61	2,60
(*b*) Expenditure—								
(*i*) Land	..	..	..	..	..	..	..	..
(*ii*) Surveys	2,20	6,39	9,60	—1,81	—1,81	11,15	12,67	23,67
(*iii*) Open Line Works—Revenue	95,68	1,13,62	1,34,15	1,14,62	69,68	1,04,31	1,02,02	1,64,82
TOTAL—EXPENDITURE	97,88	1,20,01	1,43,75	1,12,81	67,87	1,15,46	1,14,69	1,88,49
Net Miscellaneous Receipts	— 97,86	— 1,01,98	— 1,39,03	— 79,53	— 30,09	—1,15,41	—1,04,08	—1,85,89
Net Revenue	13,74,04	12,83,11	18,83,66	23,01,07	25,54,55	26,30,26	26,40,69	30,85,45
(*i*) Dividend to General Revenues	4,93,82	6,00,77	6,86,51	7,37,63	8,52,40	9,43,02	9,80,77	11,63,36
(*ii*) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	86,83	93,00	89,67	92,42
Profit (+) and Loss (—) for the year	8,80,22	6,82,34	11,97,15	15,63,44	16,15,32	15,94,24	15,70,25	18,29,67

APPENDIX VII—*contd.*

WESTERN RAILWAY

Ssatement of Revenue Receiptsand Expenditure

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	2,33,62	2,33,61	2,58,25	2,57,09	3,00,09	3,06,80	3,46,20	3,56,90
Third	18,14,71	18,00,50	18,97,77	19,75,64	22,27,80	24,84,30	24,53,10	25,63,10
(*ii*) Other Coaching	3,21,29	2,93,23	3,32,17	3,62,05	4,09,93	3,62,00	3,92,90	4,30,10
(*b*) Goods	37,76,40	40,41,68	43,79,21	47,82,64	50,64'86	57,36,00	55,18,70	62,47,20
(*c*) Sundry Other Earnings	95,72	1,18,53	1,72,35	1,66,79	2,03,02	1,74,00	2,36,20	2,18,90
TOTAL	62,41,74	64,87,55	70,39,75	75,44,21	82,06,10	90,63,10	89,47,10	98,16,20
Suspense	—14,49	50,84	—9,64	—29,19	—10,00	..	..	..
Gross Traffic Receipts	62,27,25	65,38,39	70,30,11	75,15,02	81,96,10	90,63,10	89,47,10	98,16,20
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	4,15,05	4,71,36	4,68,72	5,05,51	4,99,81	5,79,67	5,44,26	5,56,65
(*ii*) Repairs and Maintenance	13,10,80	13,69,51	14,84,20	15,53,58	16,32,56	18,07,10	17,93,56	18,58,84
(*iii*) Operating Staff	7,62,37	8,34,57	8,87,94	9,65,09	9,94,95	11,07,03	10,99,41	11,27,70
(*iv*) Operation (Fuel)	7,57,79	8,65,64	9,96,74	11,24,93	11,93,30	12,66,27	13,34,68	13,79,29
(*v*) Operation other than Staff and Fuel	2,59,46	3,00,43	3,30,59	2,76,69	3,05,72	3,54,95	3,49,11	3,35,53
(*vi*) Miscel'aneous Expenses	2,24,83	2,37,39	2,50,47	2,99,61	3,37,52	3,19,58	3,53,17	3,21,52
(*vii*) Labour Welfare	85,28	1,03,80	1,11,01	1,31,01	1,43,05	1,74,54	1,78,54	2,00,79
TOTAL	38,15,58	41,82,70	45,29,67	48,56,42	51,06,91	56,09,14	56,52,78	56,80,32
Suspense	44,10	—59,57	—56,52	—30,98	—7,89	3,17	18,05	—6,31
TOTAL—ORDINARY WORKING EXPENSES	38,59,68	41,23,13	44,73,15	48,25,44	50,99,02	56,12,31	56,70,83	57,74,01

Appropriation to Depreciation Reserve Fund	6,34,61	6,23,50	6,39,12	6,23,31	8,95,20	8,88,76	8,56,21	9,76,38
Payments to Worked Lines :								
(i) Net earnings	..	..	..	..	..	..	..	..
(ii) Rebate, etc.	..	..	..	..	..	..	..	..
TOTAL—WORKING EXPENSES	44,94,29	47,46,63	51,12,27	54,48,75	59,94,22	65,01,07	65,27,04	67,50,34
Net Traffic Receipts	17,32,96	17,91,76	19,17,84	20,66,27	22,01,88	25,62,03	24,20,06	30,65,86
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other receipts from subsidised companies	..	..	..	..	..	..	..	..
(ii) Other Miscellaneous Receipts	12	54,03	14,57	42,25	26,70	13	1,55	30
TOTAL—RECEIPTS	12	54,03	14,57	42,25	26,70	13	1,55	30
(b) EXPENDITURE								
(i) Land	..	..	..	..	..	..	..	..
(ii) Surveys	—7	57	6,40	1,43	1,21	3	1,00	13
(iii) Open Line Works—Revenue	2,17,27	2,06,71	2,02,01	1,78,71	1,63,61	2,26,22	2,20,50	2,03,11
TOTAL—EXPENDITURE	2,17,20	2,07,28	2,08,41	1,80,14	1,64,82	2,26,25	2,21,50	2,03,24
Net Miscellaneous Receipts	—2,17,08	—1,53,25	—1,93,84	—1,37,89	—1,38,12	—2,26,12	—2,19,95	—2,02,94
Net Revenue	15,15,88	16,38,51	17,24,00	19,28,38	20,63,76	23,35,91	22,00,11	28,62,92
(i) Dividend to General Revenues	5,93,04	6,65,44	7,39,62	7,32,86	8,27,13	8,56,21	8,69,80	9,77,72
(ii) Share of payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	2,09,46	2,14,00	2,09,22	2,11,60
Profit (+) and Loss (—) for the year	9,22,84	9,73,07	9,84,38	11,95,52	10,27,17	12,65,70	11,21,09	16,73,60

APPENDIX VII—*contd.*

Statement of Receipts and Expenditure of Indian Government Railways
1963-64

(Figures in thousands of rupees)

	Actuals, 1957-58	Actuals, 1958-59	Actuals, 1959-60	Actuals, 1960-61	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Traffic Earnings—								
(*a*) Coaching—								
(*i*) Passengers—								
Upper	13,38,30	14,52,50	15,13,61	15,18,40	17,54,56	19,00,30	19,30,00	20,04,00
Third	105,71,39	102,21,67	110,47,58	116,40,48	133,33,29	147,45,70	147,95,00	152,46,00
(*ii*) Other Coaching	24,23,37	23,58,75	25,41,19	27,21,26	29,10,47	29,00,00	31,50,00	34,80,00
(*b*) Goods	229,67,39	240,81,70	260,49,66	286,14,38	306,89,67	337,55,00	337,55,00	379,00,00
(*c*) Sundry Other Earnings	8,41,31	9,62,11	10,84,36	12,62,88	13,60,86	13,50,00	14,50,00	14,50,00
TOTAL	381,41,76	390,76,73	422,36,40	457,57,40	500,48,85	546,51,00	550,80,00	600,80,00
Suspense	—1,63,85	—55,82	—2,87	—76,93	1,40	—1,15,00	—1,18,00	—1,11,00
Gross Traffic Receipts*	379,77,91	390,20,91	422,33,53	456,80,47	500,50,25	545,36,00	549,62,00	599,69,00
Working Expenses—								
Ordinary Working Expenses—								
(*i*) Administration	32,16,92	34,30,07	34,86,42	37,50,70	37,60,44	41,82,65	41,38,35	42,67,31
(*ii*) Repairs and Maintenance	90,62,06	91,58,81	94,14,26	99,75,18	100,45,18	113,82,29	112,95,99	118,39,90
(*iii*) Operating Staff	53,81,63	57,14,40	57,91,30	63,44,60	64,38,24	71,63,57	72,72,07	75,60,69
(*iv*) Operation (Fuel)	48,03,58	52,46,46	57,98,04	62,79,76	68,34,62	72,18,20	74,91,29	81,01,88
(*v*) Operation other than Staff and Fuel	14,86,26	15,64,98	17,70,60	18,29,70	18,19,47	20,95,60	21,03,05	22,14,43
(*vi*) Miscellaneous Expenses	18,28,68	19,13,50	19,97,58	23,84,51	26,50,34	24,89,66	28,85,98	26,55,76
(*vii*) Labour Welfare	6,96,61	7,94,42	8,36,11	9,67,67	10,24,35	12,07,17	12,08,02	13,36,53
TOTAL	264,75,74	278,22,64	290,94,31	315,32,12	325,72,64	357,39,14	363,94,75	379,76,50
Suspense	—58,43	—1,89,75	—1,41,73	—2,16,86	—39,34	—59,62	—81,14	—72,57
TOTAL—ORDINARY WORKING EXPENSES	264,17,31	276,32,89	289,52,58	313,15,26	325,33,30	356,79,52	363,13,61	379,03,93
Appropriation to Depreciation Reserve Fund	45,00,00	45,00,00	45,00,00	45,00,00	65,00,00	67,00,00	67,00,00	80,00,00

Payments to Worked Lines—								
(a) Net earnings	26,34	10,36	9,11	8,49	17,47	14,14	13,42	13,68
(b) Rebate	..	84	60	69	14	29	1,01	59
Total Working Expenses	309,43,65	321,44,09	334,62,29	358,24,44	390,50,91	423,93,95	430,28,04	459,18,20
Net Traffic Receipts	70,34,26	68,76,82	87,71,24	98,56,03	109,99,34	121,42,05	119,33,96	140,50,80
Miscellaneous Transactions—								
(a) Receipts—								
(i) Other receipts from subsidised companies	5,05	2,20	1,59	3,42	2,88	2,28	2,67	2,36
(ii) Other Miscellaneous Receipts	14,70	3,66,43	1,24,76	3,59,11	2,60,88	16,98	74,56	23,71
Total Receipts	19,75	3,68,63	1,26,35	3,62,53	2,63,76	19,26	77,23	26,07
(b) Expenditure—								
(i) Land	..	..	..	..	..	..	..	..
(ii) Subsidy	5,46	10,91	9,49	9,97	11,87	13,65	13,65	16,74
(iii) Surveys	8,35	8,76	27,51	16,46	9,56	33,28	50,13	48,71
(iv) Other Miscellaneous Expenditure	2,19,96	2,17,92	2,23,28	2,55,09	3,06,48	3,57,07	3,26,58	3,50,14
(v) Open Line Works—Revenue	10,42,33	10,76,18	11,81,56	11,49,65	9,60,44	12,50,00	11,77,28	12,50,00
Total Expenditure	12,76,10	13,13,77	14,41,84	14,31,17	12,88,35	16,54,00	15,67,64	16,65,59
Net Miscellaneous Receipts	—12,56,35	—9,45,14	—13,15,49	— 10,68,64	—10,24,59	—16,34,74	—14,90,41	—16,39,52
Net Revenue	57,77,91	59,31,68	74,55,75	87,87,39	99,74,75	105,07,31	104,43,55	124,11,28
(i) Dividend to General Revenues	44,39,93	50,38,82	54,43,26	55,85,97	62,84,83	69,35,34	68,73,29	80,60,86
(ii) Payment to General Revenues in lieu of tax on railway passenger fares	..	..	..	..	12,50,00	12,50,00	12,50,00	12,50,00
Profit for the year	13,37,98	8,92,86	20,12,49	32,01,42	24,39,92	23,21,97	23,20,26	31,00,42
*Include receipts of worked lines	52,81	49,61	47,11	55,01	57,95	55,69	53,50	51,58

APPENDIX VIII

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawals towards renewals and replacements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to meet deficit	*Actual closing balance
1924-25 . . .	10,35	7,29	3,06	3,06	..	3,06
1925-26 . . .	10,67	7,99	2,68	5,74	..	5,74
1926-27 . . .	10,89	8,05	2,84	8,58	..	8,58
1927-28 . . .	11,38	10,95	43	9,01	..	9,01
1928-29 . . .	12,00	9,60	2,40	11,41	..	11,41
1929-30 . . .	12,59	11,76	83	12,24	..	12,24
1930-31 . . .	13,07	11,39	1,68	13,92	..	13,92
1931-32 . . .	13,46	8,26	5,20	19,12	4,25	14,87
1932-33 . . .	13,77	6,35	7,42	26,54	10,23	12,06
1933-34 . . .	13,56	8,07	5,49	32,03	7,96	9,59
1934-35 . . .	13,72	8,66	5,06	37,09	5,06	9,59
1935-36 . . .	13,26	9,16	4,10	41,19	4,00	9,69
1936-37 . . .	13,17	7,88	5,29	46,48	—1,21	16,19
1937-38 . . .	12,59	(*aa*) 7,69	4,90	(*ab*) 49,90	..	(*ab*) 19,61
1938-39 . . .	12,56	7,08	5,48	55,38	..	25,09
1939-40 . . .	12,59	6,53	6,06	61,44	..	31,15
1940-41 . . .	12,64	7,19	5,45	66,89	..	36,60
1941-42 . . .	12,68	5,35	7,33	74,22	—7,91	51,84
1942-43 . . .	(*ac*) 12,80	4,95	7,85	82,07	(*ad*)—22,38	82,07
1943-44 . . .	16,87	6,64	10,23	92,30	..	92,30
1944-45 . . .	17,01	8,18	8,83	1,02,21	..	(*af*)1,02,21
1945-46 . . .	(*ae*) 17,25	12,01	5,24	1,07,45	..	1,07,45
1946-47 . . .	13,21	12,37	84	1,08,29	..	1,08,29
1947-48 . . .						
(1-4-47 to 14-8-1947)	6,86	2,66	4,20	1,12,49	..	(*ag*)1,12,49
(15-8-47 to 31-3-1948) .	6,81	3,27	3,54	95,74	..	(*ah*)95,74
1948-49 . . .	(*ai*) 23,11	17,28	5,83	1,01,57	..	1,01,57
1949-50 . . .	19,17	11,73	7,44	1,09,01	..	1,09,01

APPENDIX VIII—*contd.*

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawals towards renewals and replacements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to meet deficit	*Actual closing balance
1950-51	33,59	26,63	6,96	1,23,65	..	(*aj*)1,23,65‡
1951-52	(*ak*) 33,79	35,87	—2,08	1,22,02	..	(*al*)1,22,02‡
1952-53	(*am*)34,42	40,89	—6,47	1,16,36	..	(*an*)1,16,36‡
1953-54	(*ao*)33,97	38,02	—4,05	1,12,79	..	(*ap*)1,12,79‡
1954-55	(*aq*)33,72	45,82	—12,10	1,00,69	..	1,00,69‡
1955-56	(*ar*)48,67	45,89	2,78	1,03,47	..	1,03,47‡
1956-57	(*as*) 48,90	43,68	5,22	1,03,14	..	(*at*)1,03,14‡
1957-58	(*au*)49,38	63,62	—14,24	88,89	..	(*av*)88,89‡
1958-59	(*aw*)48,40	80,72	—32,32	56,70	..	(*ax*)56,70‡
1959-60	(*ay*)47,96	68,36	—20,40	37,30	..	(*az*)37,30‡
1960-61	(*ba*)46,64	64,04	—17,40	19,79	..	(*bb*)19,79‡
1961-62	(*bc*)67,63	58,23	9,40	29,19	..	29,19‡
1962-63 (Revised Estimate)	(*bd*)69,14	70,00	—86	28,33	..	28,33‡
1963-64 (Budget Estimate)	(*be*)82,37	68,00	14,37	42,70	..	42,70‡

*The closing balances from 1933-34 to 1941-42 include Rs. 9 lakhs on account of loans to Branch Line Companies and those from 1937-38 to 1941-42 also include Rs. 31 lakhs on account of Investments in Branch Line Shares. In 1942-43 these amounts were transferred to the Railway Reserve Fund Investment Account.

(*aa*) Includes 32 lakhs written off capital on account of abandoned assets.

(*ab*) Excludes 1,48 lakhs balance for Burma Railway.

(*ac*) Includes 23 lakhs transferred from Bengal and North Western and Rohilkund and Kumaon Railways' Renewal suspense.

(*ad*) Includes 6,30 lakhs transferred from the Railway Reserve Fund.

(*ae*) Includes 20 lakhs recovered from the Bengal and North Western Company on account of over-age rolling stock.

(*af*) Includes 1,08 lakhs transferred from Renewal Reserve Fund for permanent way and rolling stock of the Bengal, Nagpur, Madras and Southern Maharatta and South Indian Railways.

(*ag*) Includes 20,30 lakhs, the estimated balance relating to Pakistan Railways.

(*ah*) Excludes 20,30 lakhs, the estimated share less 1·19 lakhs on account of abandoned assets relating to Pakistan Railways.

(*ai*) Includes 11,80 lakhs appropriated from the surplus.

(*aj*) Includes 7,67 lakhs (Provisional) on account of Indian States Railways, balances taken over from 1-4-1950. Difference of 1 is due to rounding.

(*ak*) Includes 3,58 lakhs on account of interest on the balance and 21 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*al*) Includes 45 lakhs (Provisional) on account of revision of the ex-Indian States Railways balances taken over from 1-4-1950.

(*am*) Includes 4,09 lakhs on account of interest on the balance and 33 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*an*) Includes 81 lakhs on account of revision of the ex-Indian States Railways balances taken over from 1-4-1950.

(*ao*) Includes 3,61 lakhs on account of interest on balance and 36 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*ap*) Includes 48 lakhs on account of revision of the ex-Indian States Railways balance taken over from 1-4-1950.

(*aq*) Includes 3,35 lakhs on account of interest on balance and 37 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*ar*) Includes 3,26 lakhs on account of interest on balance and 41 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*as*) Includes 3,27 lakhs on account of interest on balance and 63 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*at*) Excludes 2,76 lakhs on account of difference between *ad hoc* and revised balances on 15-8-47 and 1,62 lakhs due to downward adjustment of D.R.F. balance of ex-Mysore State Rly. taken over on 1-4-1950 and 1,17 lakh interest thereon.

(*au*) Includes 3,15 lakhs on account of interest on balance and 1,23 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*av*) Excludes 1 lakh on account of difference between the *ad hoc* balance and further revised balance as on 15-8-1947.

(*aw*) Includes 2,53 lakhs on account of interest on balance and 87 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*ax*) Includes 13 lakhs on account of difference between the *ad hoc* and revised balance on 15-8-1947.

(*ay*) Includes 2,11 lakhs on account of interest on balance and 85 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*az*) Includes 5 lakhs on account of revision of ex-States Railways balances relating to Ex. G.B.S. Railway, 97 lakhs due to revision of pre-partition balances on Central Railway and excludes 2 lakhs on account of expenditure met from Development Fund transferred to Depreciation Reserve Fund.

(*ba*) Includes 85 lakhs on account of interest on balance and 79 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*bb*) Excludes 30 lakhs on account of difference between *ad hoc* and revised balance on 15-8-1947 on Western Railway and includes 19 lakhs on account of expenditure from 1-4-55 to 31-3-60 incurred on quarters for class III and IV staff forming part of scheme transferred to Development Fund on Central, Northeast Frontier and Southern Railways.

(*bc*) Includes 86 lakhs on account of interest on balance and 1,77 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*bd*) Includes 1,04 lakhs on account of interest on balance and 1,10 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*be*) Includes 1,31 lakhs on account of interest on balance and 1,06 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

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‡These figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX IX

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	*Closing balance
1924-25	6,38	(*aa*) 38	6,00	6,00
1925-26	3,79	..	3,79	9,79
1926-27	1,49	..	1,49	11,28
1927-28	4,57	..	4,57	15,85
1928-29	2,58	..	2,58	18,43
1929-30	..	2,08	—2,08	16,35
1930-31	..	10,93	—10,93	5,42
1931-32	..	4,95	—4,95	47
1932-33	..	..	..	47
1933-34	..	..	..	47
1934-35	..	..	..	47
1935-36	..	..	..	47
1936-37	..	..	..	47
1937-38	(*ab*)1	..	1	48
1938-39	..	..	..	48
1939-40	..	..	..	48
1940-41	(*ac*)6,31	90	5,41	5,89
1941-42	..	—90	90	6,79
1942-43	8,86	(*ad*)6,30	2,56	9,35
1943-44	13,20	..	13,20	22,55
1944-45	17,89	2,96	14,93	37,48
1945-46	6,20	5,55	65	38,13
1946-47	(*ab*)13	(*ae*)15,25	—15,12	(*af*)23,02
1947-48 (1-4-47 to 14-8-47)	..	(*ag*)13,60	—13,60	9,42
(15-8-47 to 31-3-48)	..	(*ah*)2,58	—2,58	6,84
1948-49	(*ai*)3	5	—2	6,82
1949-50	..	..	..	6,82

APPENDIX IX—*concld.*

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	*Closing balance
1950-51	5,40	—1	5,41	(*aj*)13,58‡
1951-52	(*ak*)19,12	—18	19,30	(*al*)33,72‡
1952-53	(*am*)2,26	—4	2,30	(*an*)36,05‡
1953-54	1,13	..	1,13	37,18‡
1954-55	1,18	..	1,18	38,36‡
1955-56	(*ao*)8,51	—2	8,53	46,89‡
1956-57	1,52	..	1,52	(*ap*)48,07‡
1957-58	1,61	..	1,61	49,68‡
1958-59	(*au*)1,09	..	1,09	(*aq*)49,37‡
1959-60	1,90	..	1,90	(*ar*)51,60‡
1960-61	1,84	..	1,84	53,44‡
1961-62	1,93	..	1,93	55,37‡
1962-63 (Revised Estimate)	2,03	..	2,03	57,40‡
1963-64 (Budget Estimate)	2,17	..	2,17	59,57‡

*The closing balances include 47 lakhs from 1925-26 to 1936-37, 48 lakhs from 1937-38 to 1939-40, 43 lakhs from 1940-41 to 1941-42, 83 lakhs from 1942-43 to 1943-44, 90 lakhs in 1944-45, 83 lakhs in 1945-46, 52 lakhs in 1946-47, 26 lakhs from 1947-48 to 1950-51, 28 lakhs in 1951-52, 40 lakhs in 1952-53, 46 lakhs in 1953-54, 50 lakhs in 1954-55, 51 lakhs in 1955-56, 57 lakhs in 1956-57, 48 lakhs in 1957-58 to 1959-60, 44 lakhs in 1960-61 and 37 lakhs in 1961-62 to 1963-64 on account of investments in shares of and loans to branch line companies.

(*aa*) Represents amount utilised to write down the difference between the book values and the current market price of stores.

(*ab*) Includes Rs. 1 lakh profit realised on investment in branch line shares cancelled.

(*ac*) Includes Rs. 1 lakh profit realised on cancellation of investments in branch line shares

(*ad*) Transferred to Depreciation Reserve Fund.

(*ae*) Includes Rs. 12 crores transferred to Betterment Fund (now Development Fund)

(*af*) Difference of 1 is due to rounding.

(*ag*) To meet Railway deficit.

(*ah*) To meet Railway deficit.

(*ai*) Represents profit accrued on account of cancellation of investments in branch line shares.

(*aj*) Includes 1,35 lakhs (Provisional) on account of Ex Indian States Railways' balances taken over from 1-4-1950.

(*ak*) Includes 18,34 lakhs on account of appropriation from surplus.

(*al*) Includes 84 lakhs (Provisional) on account of revision of the Indian States Railways' balances taken over from 1-4-1950.

(*am*) Includes 4,19 lakhs on account of appropriation from surplus.

(*an*) Includes 3 lakhs (Provisional) on account of revision of the ex-Indian States Railways, balances taken over on 1-4-1950.

(*ao*) Includes 7,14 lakhs on account of appropriation from surplus.

(*ap*) Excludes 7 lakhs on account of difference between *ad hoc* and revised balances on 15-8-1947 and 21 lakhs representing 25 per cent share of the balance in respect of ex-Scindia State Rly. taken over on 1-4-1950 and 6 lakhs interest thereon.

(*au*) Excludes refund of 55 lakhs interest to A.G.C.R. on reduction of pre-partition balance *vide* note (*ap*).

(*aq*) Excludes 1,40 lakhs on account of reduction in pre-partition balances on 15-8-1947.

(*ar*) Includes 33 lakhs on account of revision of State Railway balances of ex-G.B.S. Railway.

*These figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX X

Development Fund

(In lakhs of rupees)

Year	Appropriation to Fund from			Withdrawal from Fund for				Net accretion to Fund during the year	*Closing Balance
	Surplus and interest on balance	Loans from General Revenues	Total	Works	Repay-ment of loans	Interest on loans	Total		
1946-47	(*aa*) 15,24	..	15,24	(*ad*) 41	..	..	41	14,83	14,83
1947-48 (1-4-47 to 14-8-47)	(*ab*) 18	..	18	(*ae*) 34	..	..	34	—16	14,67
1947-48 (15-8-47 to 31-3-48)	(*ab*) 30	..	30	59	..	..	59	—29	14,38
1948-49	(*ac*) 1,27	..	1,27	2,33	..	..	2,33	—1,06	13,32
1949-50	(*ab*) 43	..	43	—5	..	..	—5	48	13,80
1950-51	10,52	..	10,52	5,35	..	..	5,35	5,17	(*af*) 19,44
1951-52	(*ag*) 10,65	..	10,65	7,70	..	..	7,70	2,95	(*ah*) 22,48
1952-53	(*ai*) 12,76	..	12,76	8,10	..	..	8,10	4,66	27,14
1953-54	(*aj*) 3,29	..	3,29	9,81	..	..	9,81	—6,52	20,62
1954-55	(*ak*) 9,70	..	9,70	12,78	..	..	12,78	—3,08	17,54
1955-56	(*al*) 7,57	..	7,57	12,14	..	..	12,14	—4,57	12,97
1956-57	(*am*) 20,65	..	20,65	19,84	..	..	19,84	81	(*an*) 13,75
1957-58	(*ao*) 13,63	..	13,63	25,53	..	..	25,53	—11,90	1,85
1958-59	(*ap*) 8,13	10,98	19,11	27,87	..	19	28,06	—8,95	(*aq*) —1,69
1959-60	(*ar*) 20,27	14,85	35,12	24,89	..	65	25,54	9,58	(*as*) 8,91
1960-61	(*at*) 32,49	3,58	36,07	23,32	..	98	24,30	11,77	(*au*) 19,13
1961-62	(*av*) 25,23	..	25,23	21,14	29,40	53	51,07	—25,84	(*aw*) 10,49
1962-63 (Revised Estimate)	(*ax*) 23,56	..	23,56	22,97	..	..	22,97	59	(*ay*) 10,71
1963-64 (Budget Estimate)	(*az*) 31,50	..	31,50	26,00	..	..	26,00	5,50	16,21

(*aa*) This is made up of 12 crores transferred from Railway Reserve Fund, 3 crores from the Railway surplus for 1946-47 and 24 lakhs interest on balance.
(*ab*) Represents only interest on balance.
(*ac*) Includes 43 lakhs on account of interest on balance.
(*ad*) Includes 5 lakhs for B.A. & N.W. Railways.
(*ae*) Includes 5 lakhs for B.A. & N.W. Railways.
(*af*) Includes 47 lakhs (Provisional) on account of Indian States Railways, balances taken over from 1-4-1950.
(*ag*) Includes 65 lakhs on account of interest on balance.
(*ah*) Includes 9 lakhs (Provisional) on account of revision of the Indian States Railways balances taken over from 1-4-1950.

(*ai*) Includes 76 lakhs on account of interest on balance.

(*aj*) Includes 73 lakhs on account of interest on balance.

(*ak*) Includes 60 lakhs on account of interest on balance.

(*al*) Includes 49 lakhs on account of interest on balance.

(*am*) Includes 43 lakhs on account of interest on balance.

(*an*) Excludes 2 lakhs on account of difference between *ad hoc* and revised balances on 15-8-47 and 1 lakh interest thereon.

(*ao*) Includes 25 lakhs on account of interest on balance.

(*ap*) Includes 8 lakhs on account of interest on balance and 88 lakhs on account of interest refunded to A.G.C.R. on reduction of pre-partition balances *vide* note (*aq*).

(*aq*) Excludes 2,20 lakhs due to reduction in pre-partition balances on 15-8-1947 and includes 7,61 lakhs due to transfer of the cost of Deesa Gandhidham and Chunar-Robertsganj lines to Capital.

(*ar*) Includes 15 lakhs on account of interest on balance.

(*as*) Includes 1,02 lakhs due to the transfer of the cost of certain wagon shops at Kotah and Mahalakshmi and of Adipur Bhuj Conversion on Western Railway to Capital.

(*at*) Includes 48 lakhs on account of interest on balance.

(*au*) Includes 3,32 lakhs due to transfer of the cost of the new lines Utraitia-Sultanpur-Zafarabad and Pathankot-Madhopur on Northern Railway to Capital, to the extent their remunerativeness according to assessment made on the basis of actuals, 1 lakh due to transfer of expenditure on Howrah Car shed to Capital and also covers 488 lakhs due to transfer from Capital and Depreciation Reserve Fund to Development fund of the expenditure from 1-4-55 to 31-3-60 relating to quarters forming part of a scheme for Class III and IV staff.

(*av*) Includes 84 lakhs on account of interest on balance.

(*aw*) Includes 16,81 lakhs due to *ad hoc* transfer of the cost of the new lines under construction on 1-4-1955 *viz.*, Khandwa—Hingoli on Central Railway & Quilon-Ernakulam on Southern Railway to Capital, as per the accepted recommendations of the Railway Convention Committee, 1960; 39 lakhs due to erroneous transfer of the cost of the Works Bhagalpur-Mandar Hill restoration to Capital on Eastern Railway and 9 lakhs relating to conversion of Adipur-Bhuj on Western Railway, and excludes 9 lakhs on account of write back of erroneous adjustments relating to quarters for Class III and IV staff forming part of a scheme to Capital and D.R.F.

(*ax*) Includes 36 lakhs on account of interest on balances.

(*ay*) Includes 11 lakhs due to proposed transfer of the cost of the new line Bobbili-Salur on Southeastern Railway as it has since been assessed to be remunerative and excludes 48 lakhs due to proposed write back from Capital of the erroneous adjustments made in 1961-62, relating to the Works "Restoration of Bhagalpur-Mandar Hill" on Eastern Railway and conversion of "Adipur-Bhuj" on Western Railway.

(*az*) Includes 50 lakhs on account of interest on balances.

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‡The figures of Closing Balance from 1950-51 are provisional, as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX XI

LIST OF NEW SURVEYS UNDERTAKEN DURING 1962-63

Central Railway:

1. Preliminary-*cum*-final location survey for patch doubling of 80 miles on Bina-Katni section.
2. Preliminary-*cum*-final location survey for doubling the remaining 85 miles single line on Itarsi-Jabalpur section.
3. Preliminary-*cum*-final location survey for doubling of the section between Jhansi and Bijoli (8·45 KM) on Jhansi-Bina section.
4. Preliminary-*cum*-final location survey for doubling between Amla and Bursalsee on Amla-Itarsi section.

Eastern Railway:

Final location survey for patch doubling of 60 miles on Sainthia-Sahibganj loop.

Southern Railway:

Preliminary-*cum*-final location survey for doubling the remaining single line (40 miles) on Waltair-Samalkot section.

Southeastern Railway:

Preliminary-*cum*-final location survey for doubling of the remaining 260 miles between Khargpur and Vizianagram on the East Coast section.

Western Railway:

1. Survey for doubling between Bhopal and Bairagarh on Ujjain-Bhopal section.
2. Survey for construction of a fourth line between Churchgate and Grant Road.

Dandakaranya-Bolangir-Kiriburu Railway Projects:

Preliminary Engineering and final location survey for sidings to serve the various ore deposits of Bailadilla range.

Railway Electrification:

Survey for Electrification of Dangoaposi-Gua and branches of Southeastern Railway.

LIST OF NEW SURVEYS PROPOSED TO BE UNDERTAKEN DURING 1963-64

Central Railway:

Survey for partial doubling of 16 miles on Sholapur-Wadi section.

Eastern Railway:

1. Survey for doubling between Mugma and Thaparnagar.
2. Survey for doubling the remaining portion between Durgapur exchange yard and up to fly-over at west end (2 miles).
3. Survery for doubling between Damodar and Kalipahar link.
4. Survey for a new line between Ramgarh Coal fields to Marapari.

Northern Railway:

Reconnaissance, Engineering and Traffic Survey for rail line to Riasi.

Southern Railway:

1. Survey for doubling of track between Sankaridurg and Cauvery.
2. Survey for doubling between Kovvur and Godavari including second Bridge over Godavari river.
3. Survey for proposed conversion of Poona-Miraj from M.G. to B.G.-Final Location Survey.
4. Preliminary Engineering Survey for a line from Tirunelveli-Nagercoil-Trivandrum with a branch to Cape Comorin.

Southeastern Railway:

1. Engineering and Traffic Surveys for rail line to connect Tomka-Daitari areas and Nayagarh area to Paradip Port.
2. Provision of a direct connection from Bondamunda Departure Yard to Dumitra on the Barsua Branch along the fly-over of the Bondamunda-Hatia Line with direct connection on Dumitra (Survey) 8 miles.
3. Preliminary Engineering and Traffic Surveys for a new line from near about Kendposi to near about Rairangpur along with an avoiding line to Asanboni and allied facilities.
4. Survey for provision of Sini-Pendrasali and Gomharria-Asanboni avoiding lines and a third line between Sini and Gomharria with allied facilities.
5. Survey for doubling between Rojbhera-Muri-Hatia (87 miles).
6. Survey for doubling between Bhojudih and Sudamih with Damodar Bridge.
7. Survey for provision of an avoiding line between Pendrasali and Barabomboo including crossing stations between Chakradharpur-Lotapahar, Lotapahar-Sonua and Monoharpur-Posoita along with two additional lines at Dangoaposi.
8. Survey for a third line between Tikiapara and Santragachi.
9. Survey for a third line between Santragachi and Panchkura.
10. Survey for doubling of Damodar Bridge between Madhukunda and Damodar.

GOVERNMENT OF INDIA

BUDGET

OF THE

Railway Revenue and Expenditure of the Central Government For 1963-64

MINISTRY OF RAILWAYS,
Dated, the 19th February, 1963.

S. JAGANNATHAN,
Financial Commissioner for Railways.

I—Statement of the Revenue of the Central Government from Railways

(In thousands of rupees)

HEADS OF REVENUE	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+)) Dcerease(— as compared with Budget, 1962-63	Budget Estimate, 1963-64
M—RAILWAYS—REVENUE	Rs.	Rs.	Rs.	Rs.	Rs.
LXIV-A & LXV-A—Indian Railways— Revenue Receipts—					
Passenger Earnings—					
Upper . . .	17,54,56	19,00,30	19,30,00	+29,70	20,04,00
Third . . .	133,33,29	147,45,70	147,95,00	+49,30	152,46,00
Other Coaching Earnings .	29,10,47	29,00,00	31,50,00	+2,50,00	34,80,00
Goods Earnings . .	306,89,67	337,55,00	337,55,00	..	379,00,00
Sundry Other Earnings .	13,60,86	13,50,00	14,50,00	+1,00,00	14,50,00
TOTAL EARNINGS . .	500,48,85	546,51,00	550,80,00	+4,29,00	600,80,000
Suspense . . .	1,40	—1,15,00	—1,18,00	—3,00	—1,11,00
†Gross Receipts of Indian Railways . . .	500,50,25	545,36,00	549,62,00	+4,26,00	599,690
*Deduct—					
†83-A & 84-A—Working Expenses . . .	390,33,30	..	..	..	..
83-C—Payments to worked lines—					
(*i*) Net earnings .	17,47	..	..	..	..
(*ii*) Rebate, etc. . .	14	..	..	..	..
Net Receipts . . .	109,99,34	545,36,00	549,62,00	+4,26,00	599,69,00
LXIV-B—Other Miscellaneous Receipts—					
Miscellanoeus receitps .	2,60,88	16,98	74,56	+57,58	23,71
LXVI—Sub se Companies					
Government share of surplus profits, etc. . .	2,88	2,28	2,67	+39	2,36
LXVII—Transfer from Railway Revenue Reserve Fund .	..	..	..	..	..
TOTAL RECEIPTS . .	112,63,10	545,55,26	550,39,23	+4,83,97	599,95,07
‡Includes earnings of worked lines . . .	57,95	55,69	53,50	—2,19	51,58
‡Includes appropriation from Revenue to Depreciation Reserve Fund . . .	65,00,00	..	..	..	..

*The expenditure under "Working Expenses" of Railways is adjusted as "expenditure instead of in reduction of "receipts", due to rationalisation of accounting classification introduced with effect from 1-4-1962 and their estimates for 1962-63 and 1963-64 are, therefore shown under "expenditure".

2.—Statement of the Expenditure on Railways met from the Revenues of the Central Government

(In thousands of rupees).

HEADS OF EXPENDITURE	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+) Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.	Rs.
M—RAILWAYS—EXPENDITURE					
*83-A & 84-A—Working Expenses . . .	..	423,79,52	430,13,61	+6,34,09	459,03,93
83-C—Payments to Worked Lines—					
(*i*) Net earnings . .	..	14,14	13,42	—72	13,68
(*ii*) Rebate, etc. .	..	29	1,01	+72	59
83-B & 84-B—Other Miscellaneous Expenditure .	3,16,04	3,90,35	3,76,71	—13,64	3,98,85
85.—Payments to General Revenues					
(a) Dividends to General Revenues . . .	62,84,83	69,35,34	68,73,29	—62,05	80,60,86
(b) Payment to General Revenues in lieu of tax on Railway passenger fares . .	12,50,00	12,50,00	12,50,00	..	12,50,00
86.—Appropriations from Railway Surplus :					
(*i*) Appropriation to Railway Revenue Reserve Fund . . .	..	..	..	..	..
(*ii*) Appropriation to Railway Development Fund . . .	24,39,92	23,21,97	23,20,26	—1,71	31,00,42
(*iii*) Appropriation to Railway Depreciation Reserve Fund . .	..	..	..	..	..
87.—Subsidised Companies—					
Land . . .	..	..	..	..	..
Subsidy . . .	11,87	13,65	13,65	..	16,74
88.—Open Line Works Revenue . . .	9,60,44	12,50,00	11,77,28	—72,72	12,50,00
TOTAL EXPENDITURE .	112,63,10	545,55,26	550,39,23	+4,83,97	599,95,07
*Includes appropriation from Revenue to Depreciation Reserve Fund . . .	..	67,00,00	67,00,00	..	80,00,00

3.—Distribution of Railway Surplus 1962–63 and 1963–64

(In thousands of rupees).

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.
Surplus	24,39,92	23,21,97	23,20,26	31,00,42
Railway Development Fund . .	24,39,92	23,21,97	23,20,26	31,00,42
Railway Revenue Reserve Fund .	..	..	..	..
Railway Depreciation Reserve Fund .	..	..	..	..

4.—Statement of the Capital Expenditure of the Central Government on Railways

(In thousands of rupees).

HEADS OF EXPENDITURE	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.	Rs.
MM—Capital					
Railway Capital not met from Revenue—					
131 & 132.—Construction of Railways—					
Open Line Works—					
Rolling Stock . . .	66,06,60	99,19,49	88,52,53	—10,66,96	93,05,09
Other Works . . .	36,85,22	62,18,66	55,17,99	—7,00,67	70,19,86
New Construction . .	41,05,92	56,04,61	51,42 67	—4,61,94	68,94,83
Suspense . . .	—94,53	—5,46,04	6,84,60	+12,30,64	6,18,67
Miscellaneous . . .	1,87,13	2,17,79	1,02,21	—1,15,58	2,47,82
Probable Savings . .	..	—17,64,51	..	+17,64,51	—22,36,27
TOTAL . .	144,90,34	196,50,00	203,00,00	+6,50,00	218,50,00

A—RAILWAY DEPRECIATION RESERVE FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance .	†19,79,11*	27,10,66	29,18,93	28,33,05	Appropriation from Depreciation Reserve Fund	58,23,51	63,00,00	70,00,00	68,0 ,00
Appropriation to Depreciation Reserve Fund	(a) 66,77,14	(g) 67,94,03	(c) 68,10,47	(d) 81,05,59					
Interest on Depreciation Reserve Fund	86,19	1,07,96	1,03,65	1,31,42	Closing Balance .	29,18,93	33,12,65	28,33,05	42,70,06
TOTAL	87,42,44	96,12,65	98,33,05	110,70,06	TOTAL . .	87,42,44	96,12,65	98,33,05	110,70,06

*Includes 783·93 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.

†Excludes 0·48 lakh on account of write-back of an erroneous adjustment in respect of quarters for Class III and IV Staff forming part of a Scheme from Development Fund.

(a) Includes 1,77,14 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (1,10,84) and Integral Coach Factory (66,30)

(b) Includes 94,03 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (65,20) and Integral Coach Factory (28,83)

(c) Includes 1,10,47 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (78,93) and Integral Coach Factory (31,54)

(d) Includes 1,05,59 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (72,60) and Integral Coach Factory (32,99)

B—RAILWAY REVENUE RESERVE FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . . .	(a) 53,44,50*	(b) 55,36,49	(b) 55,36,73	(c) 57,40,20	Appropriation from Railway Revenue Reserve Fund . .	..	..	..	..
Appropriation to Railway Revenue Reserve Fund from, Surplus, etc. . .	..	..	..	..					
Interest on Railway Revenue Reserve Fund . . .	(d) 1,92,23	(e) 2,02,37	(f) 2,03,47	(f) 2,16,65	Closing Balance . .	(b) 55,36,73	(b) 57,38,86	(c) 57,40,20	(c) 59,56,85
TOTAL . . .	55,36,73	57,38,86	57,40,20	59,56,85	TOTAL . .	55,36,73	57,38,86	57,40,20	59,56,85

*Includes 233·99 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.
(a) Includes 44·48 lakhs on account of investment in shares of and loans to Branch Line Companies.
(b) Includes 36·98 lakhs on account of investment in shares of and loans to Branch Line Companies.
(c) Includes 36·59 lakhs on account of investment in shares of and loans to Branch Line Companies.
(d) Includes 1·79 lakhs on account of interest and dividends, etc. on investments.
(e) Includes 1·61 lakhs on account of interest and dividends, etc. on investments.
(f) Includes 1·59 lakhs on account of interest and dividends, etc. on investments.

C—RAILWAY DEVELOPMENT FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . . .	*36,32,68	13,38	†10,12,16	10,70,92	Appropriation from Development Fund .	21,14,13	23,00,00	22,97,28	26,00,00
Appropriation to Development Fund from Surplus .	24,39,92	23,21,97	23,20,26	31,00,42	Repayment of principal.	29,39,98	..	..	..
					Interest on loans . .	52,77	..	..	..
Interest on Development Fund	83,61	89	‡35,78	49,81	Closing Balance . .	10,49,33	36,24	10,70,92	16,21,15
TOTAL . .	61,56,21	23,36,24	33,68,20	42,21,15	TOTAL . .	61,56,21	23,36,24	33,68,20	42,21,15

*Includes *ad hoc* transfer to Capital from D. F. of the cost of the new lines under construction on 1-4-55 *viz.*, Khandwa-Hingoli on Central Railway (1165·25 lakhs) and Quilon-Ernakulam on Southern Railway (515·55 lakhs) as per the accepted recommendations of the Railway Convention Committee, 1960, erroneous transfer to capital from D.F. of the cost of the works "Bhagalpur-Mandar Hill Restoration" (38·53 lakhs) in Eastern Railway and "Conversion of Adipur-Bhuj" on Western Railway (9·00 lakhs) and excludes write-back of erroneous adjustments in respect of quarters for Class III and IV staff forming part of a scheme to Capital and D.R.F. (8·88 lakhs).

†Includes 10·93 lakhs due to the proposed transfer of the cost of new line "Bobbili-Salur' to Capital and excludes transfer from Capital of the erroneous adjustments made in 1961-62 of the cost of "Bhagalpur-Mandar Hill" (38·53 lakhs) and "Adipur-Bhuj" (9·57 lakhs).

‡Excludes 1·72 lakhs due to arrear adjustment of interest relating to 1961-62.

SCHEDULE OF DEMANDS FOR GRANTS (RAILWAYS) FOR 1963-64

(In thousands of rupees)

Number of Demand	Name of Demand	Amount	
		Voted	*Charged*
1	Railway Board	1,07,70	..
2	Miscellaneous Expenditure	2,90,12	*3,00*
3	Payments to Worked Lines and Others . .	31,01	..
4	Working Expenses—Administration . . .	42,79,43	*1,00*
5	Working Expenses—Repairs and Maintenance .	137,81,81	[illegible]
6	Working Expenses—Operating Staff . . .	85,37,14	*1,00*
7	Working Expenses—Operation (Fuel) . . .	92,10,38	*1,00*
8	Working Expenses—Operation other than Staff and Fuel	28,87,95	*88,97*
9	Working Expenses—Miscellaneous Expenses .	32,02,59	*18,60*
10	Working Expenses—Labour Welfare . . .	13,65,98	..
11	Working Expenses—Appropriation to Depreciation Reserve Fund	80,00,00	..
12	Payments to General Revenues	93,10,86	..
13	Open Line Works (Revenue)	12,49,50	*50*
14	Construction of New Lines	65,63,44	*15,00*
15	Open Line Works—Additions and Replacements .	433,12,94	*70,00*
16	Open Line Works—Development Fund . .	25,98,00	*2,00*
17	Repayments of loans from General Revenues and interest thereon—Development Fund . .	..	..
18	Appropriation to Development Fund . . .	31,00,42	..
19	Appropriation to Revenue Reserve Fund . .	..	..
20	Withdrawal from Revenue Reserve Fund . .	..	..
	TOTAL . .	1178,29,27	*2,02,07*

THE APPROPRIATION (RAILWAYS) No. 2 BILL, 1963

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Appropriation (Railways) No. 2 Act, 1963.

2. *Issue of Rs.* 1,180,31,34,000 *out of the Consolidated Fund of India for the Financial year* 1963-64.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand, one hundred and eighty crores, thirty-one lakhs and thirty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64, in respect of the services relating to railways specified in column 2 of the Schedule.

3. *Appropriation.*—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	1,07,70,000	..	1,07,70,000
2	Miscellaneous Expenditure . .	2,90,12,000	3,00,000	2,93,12,000
3	Payments to Worked Lines and Others	31,01,000	..	31,01,000
4	Working Expenses—Administration .	42,79,43,000	1,00,000	42,80,43,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
5	Working Expenses—Repairs and Maintenance	137,81,81,000	1,00,000	137,82,81,000
6	Working Expenses—Operating Staff	85,37,14,000	1,00,000	85,38,14,000
7	Working Expenses—Operation (Fuel) .	92,10,38,000	1,00,000	92,11,38,000
8	Working Expenses—Operation Other than Staff and Fuel . . .	28,87,95,000	88,97,00	29,76,92,000
9	Working Expenses—Miscellaneous Expenses	32,02,59,000	18,60,000	32,21,19,000
10	Working Expenses—Labour Welfare	13,65,98,000	..	13,65,98,000
11	Working Expenses—Appropriation to Depreciation Reserve Fund . .	80,00,00,000	..	80,00,00,000
12	Payments to General Revenues . .	93,10,86,000	..	93,10,86,000
13	Open Line Works (Revenue)	12,49,50,000	50,000	12,50,00,000
14	Construction of New Lines . .	65,63,44,000	15,00,000	65,78,44,000
15	Open Line Works—Additions and Replacements	433,12,94,000	70,00,000	433,82,94,000
16	Open Line Works—Development Fund	25,98,00,000	2,00,000	26,00,00,000
17	Appropriation to Development Fund .	31,00,42,000	..	31,00,42,000
	TOTAL . .	1,178,29,27,000	2,02,07,000	1,180,31,34,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made by Lok Sabha in respect of the estimated expenditure of the Central Government on Railways, for the financial year 1963-64.

SWARAN SINGH.

LOK SABHA

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

M. N. KAUL,

Secretary.

(Sardar Swaran Singh,

Minister of Railways.)

The following Acts of Parliament received the assent of the President on the 23rd March, 1963, and are hereby published for general information:—

THE APPROPRIATION (RAILWAYS) No. 2 ACT, 1963

No. 6 OF 1963

[23rd *March*, 1963]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Appropriation (Railways) No. 2 Act, 1963.

2. *Issue of Rs.* 11,80,31,34,000 *out of the Consolidated Fund of India for* 1963-64.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand, one hundred and eighty crores, thirty-one lakhs and thirty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64, in respect of the services relating to railways specified in column 2 of the Schedule.

3. *Appropriation.*—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See sections* 2 *and* 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	1,07,70,000	..	1,07,70,000
2	Miscellaneous Expenditure . .	2,90,12,000	3,00,000	2,93,12,000
3	Payments to Worked Lines and Others	31,01,000	..	31,01,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
4	Working Expenses—Administration .	42,79,43,000	1,00,000	42,80,43,000
5	Working Expenses—Repairs and Maintenance	137,81,81,000	1,00,000	137,82,81,000
6	Working Expenses—Operating Staff .	85,37,14,000	1,0 000	85,38,14,000
7	Working Expenses—Operation (Fuel) .	92,10,38,000	1,00,000	92,11,38,000
8	Working Expenses—Operation Other than Staff and Fuel . . .	28,87,95,000	88,97,000	29,76,92,000
9	Working Expenses—Miscellaneous Expenses	32,02,59,000	18,60,000	32,21,19,000
10	Working Expenses—Labour Welfare .	13,65,98,000	..	13,65,98,000
11	Working Expenses—Appropriation to Depreciation Reserve Fund . .	80,00,00,000	..	80,00,00,000
12	Payments to General Revenues .	93,10,86,000	..	93,10,86,000
13	Open Line Works (Revenue) . .	12,49,50,000	50,000	12,50,00,000
14	Construction of New Lines . .	65,63,44,000	15,00,000	65,78,44,000
15	Open Line Works—Additions and Replacements	433,12,94,000	70,00,000	433,82,94,000
16	Open Line Works—Development Fund	25,98,00,000	2,00,000	26,00,00,000
17	Appropriation to Development Fund .	31,00,42,000	..	31,00,42,000
	TOTAL . .	1,178,29,27,000	2,02,07,000	1,180, 1,34,00

BUDGET, 1963-64

Finance Minister's Speech

28th February, 1963

Sir,

I rise to present the Budget for the year 1963-64. For a number of years now the annual Budget has been framed primarily with reference to our plans for development. The year that is now drawing to a close has witnessed the emergence of yet another challenge to us as a nation; and much of what I have to say this evening will relate necessarily to the new situation that confronts us in regard to the defence of our country.

2. I shall, therefore, not dwell at any length upon economic trends and developments in the current year. These have been set out fairly fuly in the Economic Survey which is being circulated separately. I would, however, like to touch upon those aspects of the current economic situation which have a bearing on our tasks during the coming year.

3. Honourable Members would recall that shortages in the basic sectors of the economy, particularly in regard to the supply of power, transport, coal and steel, were a source of concern during the first year of the current Plan period. It was in the light of these shortages that the Budget for 1962-63 had made provision for a sizable increase in Plan outlay. During the course of the year, programmes of development in these vital sectors were reviewed carefully so as to ensure accelerated and coordinated development of the economy as a whole and I am happy to say that there has been a significant improvement in the availability of coal, power, steel and transport over the past year. This trend will be strengthened further in the months to come as programmes now in hand begin to get completed. Some of our major public sector projects have made further progress. The Bhakra Dam has been completed and substantial additions to power capacity have been made from the Rihand and Hirakud projects. The public sector steel plants are now producing to near capacity. Industrial production as a whole has continued to grow and during the first half of the year, it was 7·2 per cent higher than in the corresponding part of 1961-62. We shall have to improve upon this performance in the coming years, particularly in view of the demands of the present Emergency and to this end, both the public and the private sectors must play their part.

4. Agricultural supplies during the year were not uniformly satisfactory. As the 1961-62 crop was no higher than the crop in the preceding year, prices, particularly of foodgrains, increased between March and August 1962 and there was an increase of 6·1 per cent in the general index of wholesale prices during this period. To keep prices in check a number of steps were taken. Monetary policy was geared to an orderly increase in the cost of credit as well as to a restraint on speculative tendencies. With a view to stimulate agricultural production and to give the agriculturist the confidence that if he stepped up production, he would not lose by a fall in prices, minimum prices for wheat and procurement prices for

rice were announced, the ceiling price for cotton was further raised and measures to sustain jute prices at remunerative levels have been strengthened. It is gratifying to note that the general index of wholesale prices for the month of January, 1963 averaged 126 as against 127·5 at the beginning of the Third Five-Year Plan. Foodgrains output during the current season is expected to be better than the previous one. Even so, we shall have to redouble our efforts to increase agricultural production if the rate of growth of the economy is to be accelerated and the general stability of prices, which has on the whole been a welcome feature of the past two years, is to be preserved. In these efforts, measures to increase the production of rice and of items such as cotton and oil-seeds deserve special emphasis on account of their important bearing on the cost of living and the balance of payments.

5. The one sector of our economy which has been the cause of the greatest concern to me throughout the year is our external payments position. The summer of 1962 witnessed a sharp deterioration in our foreign exchange reserves. The foreign assets of the Reserve Bank, which were already drawn upon heavily during the earlier years, declined further from Rs. 129·7 crores at the end of March, 1962 to Rs. 97 crores by the end of June. We had, therefore, to make further cuts in import quotas already announced and impose severe restrictions on foreign travel as well as to enter into a stand-by arrangement with the International Monetary Fund. Improvement in export earnings and larger reimbursements under aid have staved off further pressure on reserves over the past few months and on February 15, 1963, the foreign assets of the Reserve Bank stood at Rs. 105 crores. But a level of reserves only a little about the legal minimum at the height of the favourable export season cannot be contemplated with equanimity.

6. Turning to the budgetary and fiscal developments during the current year, the revenue originally estimated at Rs. 1380·93 crores will, according to latest indications, go up to just over Rs. 1500 crores. Of the improvement of over Rs. 119 crores in revenue, Rs. 73·70 crores occurs under the three principal heads. Customs revenue will go up by about Rs. 24 crores due mainly to larger imports of machinery, which we welcome as they reflect an acceleration of our developmental effort, and of kerosene, diesel and other oils, which clearly are a cause for concern in our foreign exchange situation. The increase of Rs. 31·67 crores under Union Excise Duties is due to the progressive increase in the production and clearances of a number of excisable commodities, notably sugar, iron and steel products and motor spirit. Better yield from taxes paid in advance and larger collections at source on dividends, interest and salaries account for an improvement of Rs. 18·20 crores under Corporation and Income taxes. Of the rest of the improvement, the major increases are under Debt Services due mainly to larger recovery from States and under the three self-balancing items of receipts from iron and steel surcharge, P.L. 480 Grants and Emergency Risk Insurance, which are transferred to the respective funds by provision in the expenditure estimates.

7. Expenditure for the current year is also expected to go up from Rs. 1381·65 crores to Rs. 1522·31 crores. The biggest element in this increase is the step-up in the expenditure on Defence Services, to which this House gave its unqualified approval when within weeks of the wanton aggression on our borders, it voted supplementary grants of Rs. 95 crores. The revenue expenditure on Defence is now expected to go up to Rs. 451·81 crores, which is Rs. 108·44 crores higher than the original estimate.

8. Civil expenditure, on the other hand, shows a relatively small increase of Rs. 32·22 crores over the original estimate. The principal item responsible for this increase is the funding of receipts relating to the three self-balancing items, to which I have just referred and which account for an increase of Rs. 28·5 crores. With higher revenue from Union Excise Duties, the States' share will go up by Rs. 10·55 crores. The policing of border areas will require an additional provision of Rs. 6·25 crores. These increases will be partly counter-balanced by savings of Rs. 1·87 crores under Debt Services and Rs. 11·48 crores under the group-head 'Social and Developmental Services' excluding the provision for the transfer of surcharge on iron and steel which is one of the self-balancing items just mentioned.

9. The net effect of these changes is to increase the revenue deficit from the nominal figure of Rs. 72 lakhs originally estimated to Rs. 22·06 crores. Considering that for Defence alone we have had to provide Rs. 108 crores more than the original estimate, the resultant position of the revenue budget for the year cannot be said to be unsatisfactory.

10. Turning to the Capital Budget, excluding the adjustment for the transfer of assistance from the United States to the Special Development Fund, which is notionally treated as capital expenditure, the current year's budget provided Rs. 592 crores for capital outlay. The corresponding figure now estimated is Rs. 593 crores. The increase of a crore of rupees is the net result of a large number of variations. The Defence capital outlay will go up by Rs. 20 crores. A better tempo of execution will necessitate additional provision of Rs. 21 crores for Railways, Hindustan Steel and the Heavy Engineering Corporation. These increases will, however, be offset by savings under numerous heads of which I would mention Rs. 14 crores for food purchases, Rs. 5 crores for Oil and Natural Gas Commission, Rs. 4 crores each for the National Coal Development Corporation, Farrakka Barrage and Border Roads and Rs. 2 crores for the Fertiliser Corporation.

11. In addition to direct capital outlay just mentioned, the original estimates provided Rs. 453 crores for loans to States and Rs. 136 crores for loans to other parties including local bodies, Port Trusts and public sector enterprises. These are now estimated to go up to Rs. 523 crores and Rs. 147 crores respectively.

12. The bulk of the excess of Rs. 70 crores under loans to States is attributable to the grant of *ad hoc* loans to seven State Governments to clear their over-drafts with the Reserve Bank. Despite the grant of substantial assistance from the Centre for financing their Plan and non-Plan outlays and the larger share of Central taxes and grants/accruing to them as a result of the Third Finance Commission's award, some of the States had overdrawn their account with the Reserve Bank. While agreeing to clear their overdrafts, I had to stipulate that the States must impose tight financial discipline, raise additional resources and keep their expenditures within their means. I trust the States will ensure that a similar situation is not allowed to arise in future.

13. Our borrowing programme shows a shortfall of Rs. 20 crores in Small Savings which will be more than made up by the sale of National Defence Bonds introduced after the Emergency. The receipts from P.L. 480 deposits and foreign loans will be lower than expected by Rs. 30 crores and Rs. 78 crores respectively. As mentioned earlier, the revenue deficit will go up by Rs. 21 crores and loans to States and other parties will be

more by Rs. 81 crores. The deterioration of Rs. 210 crores will be offset to the extent of Rs. 60 crores by improvement under several heads, of which Rs. 47 crores is attributable to the receipts on account of the National Defence Fund and Rs. 9 crores to the Emergency Risk Insurance.

14. The net effect of all these variations will be to increase the overall deficit from the original estimate of Rs. 90 crores to Rs. 240 crores. It is not unlikely that the actual budgetary deficit for the current year would be somewhat smaller than what I have just indicated. But the fact remains that despite the improvement in revenues and the sizable contributions to the National Defence Fund and the National Defence Bonds after the onset of the Emergency, the overall deficit would show a large increase over what was anticipated. The shortfall under Small Savings and the larger ways and means assistance to some of the States reflecting their financial weakness are matters of particular concern. Honourable Members, I am sure, would agree that although prices have remained reasonably stable over the past two years, there is little room for complacency in regard to the size of the deficit we might safely incur over the years to come.

15. The paramount consideration in framing the Budget for 1963-64, as I mentioned at the outset, is the need to build up the defence potential of the nation. The House would be glad to know that I propose to provide Rs. 867 crores for Defence next year as against the Revised estimate of Rs. 505 crores and the Budget estimate of Rs. 376 crores in the current year. At the same time, I propose to provide Rs. 1226 crores for Plan outlay of the Centre, including assistance to the States, as against Rs. 1107 crores provided in the Budget for the current year. It has become in recent months a rather oft-repeated statement that defence and development are vitally interlinked. But this is one of those truths which do not become any the less true for being repeated often. The investments which we have already set intrain and for which foreign assistance is already assured must be brought to fruitful completion as early as possible. And this consideration alone would require a significant increase in Plan outlay next year. The Emergency has created new needs. It would not be prudent, therefore, to provide for the paramount claims of defence by sacrificing the claims of development. Taking defence and development, together, therefore, the Budget provision for the next year would show an increase of Rs. 610 crores over the Budget estimates this year.

16. At this stage I should like to refer to certain changes introduced in the form of the Demands for Grants with the approval of the Estimates Committee. With the growth in our Plan outlays and the decision to give separate details of both Plan and non-Plan expenditure, the size of the Demands for Grants has grown enormously in recent years. This has had the effect of making the Demand unwieldy and difficult to follow. It has now been agreed with the Estimates Committee that Parts III and IV of the Demands which give details, according to different circles of account, and which are intended primarily for the authorities controlling the Grants, may be replaced by two new schedules. These schedules give details of Plan provision and the staff employed under different categories. In addition, notes on Demands for Grants also include a statement of important items of non-Plan expenditure. Arrangements will also be made for placing in the Parliament Library copies of Parts III and IV of the Demands which will continue to be printed for Departmental use. These arrangements should make for the

presentation of the Demands in a more concise form without taking away any part of the important information which is of interest to Parliament.

17. I would also like to mention the changes made in the presentation of Demands for Defence Services. Hitherto the provision for the three Services with the supporting details had been given separately. Following the practice adopted in the last War, I have decided to combine the Demands for the three Services into a single Demand but without the usual details. The combined Demand gives the provision for the three Services at the current year's level with a lump provision for meeting the cost of various emergency measures. The House, I am sure, will appreciate the need for these changes which have been made in the interest of national security.

18. For the coming year, at the existing level of taxation, I am budgeting for a total revenue of Rs. 1585.73 crores and expenditure of Rs. 1852.40 crores resulting in a deficit of Rs. 266.67 crores on Revenue account.

19. The Revenue estimates next year show an improvement of Rs. 85.48 crores over the current year's Revised. Union Excises are expected to go up by Rs. 30.27 crores while the revenue from Income and Corporation taxes would show a further improvement of Rs. 15 crores. Interest receipts account for an increase of Rs. 40.56 crores of which Rs. 18 crores will be from Hindustan Steel, Rs. 10 crores from the State Governments and Rs. 8.43 crores from Railways. The receipts from Emergency Risk Insurance of goods and factories, if continued at present rates, would show an increase of Rs. 27 crores. We have also decided that in view of higher costs of Government borrowings, the Railways and the Posts and Telegraphs Department should give, with effect from the coming year, a higher dividend to the General Revenues, and accordingly the rate will be raised from 4¼ per cent to 4½ per cent. This will give an additional Rs. 4·43 crores. These improvements however, will on present rates be partly offset by decreases of Rs. 10·45 crores under Customs Revenue due to the imposition of further restrictions on imports, shortfalls of Rs. 11·70 crores under iron and steel surcharge and Rs. 9 crores under P.L. 480 Grants and increase of Rs. 2·68 crores in the States' share of Income-tax.

20. Of the total Revenue expenditure of Rs. 1852.40 crores next year, Rs. 708.51 crores will be for Defence Services and Rs. 1143.89 crores under Civil Heads. As compared with the revised estimates, the Civil expenditure next year shows an increase of Rs. 73·39 crores. The expanding volume and cost of public borrowings account for an increase of Rs. 34.21 crores under Debt Services. Administrative Services next year will cost Rs. 11.89 crores more due mainly to additional expenditure on border police. The increase in their share of Union Excises and larger grants to States explain mainly the increase of Rs. 10.54 crores under Contributions and Miscellaneous Adjustments. While transfers on account of Emergency Risk Insurance would be more by Rs. 27 crores, those in respect of iron and steel surcharge and P. L. 480 Grants would be less by Rs. 11.7 crores and Rs. 9 crores respectively. The remaining heads under Social and Developmental Services will show an increase of Rs. 9.84 crores, whereas absence of provision for payment to the Reserve Bank for the withdrawal of Escudo currency will result in a saving of Rs. 9.14 crores.

21. The provision for Capital Outlay next year is estimated at Rs. 827 crores, representing an increase of Rs. 234 crores over the current year's

revised requirements. Defence Capital Outlay is responsible for an increase of Rs. 106 crores. Of the other major increases, mention may be made of Rs. 35 crores for Hindustan Steel, Rs. 30 crores on account of net expenditure on food purchases including internal procurement, Rs. 15 crores for Railways, Rs. 13 crores for Posts and Telegraphs, Rs. 15 crores for National Highways, Rs. 8 crores each for Atomic Energy and Oil and Natural Gas Commission and Rs. 5 crores for Drugs Corporation.

22. The Budget next year provides Rs. 541 crores for loans to States including Rs. 100 crores as their share of market borrowings, following the decision taken by the National Development Council to raise combined loans for the Central and State Governments next year. The loans to other parties are estimated at Rs. 175 crores. An item of special interest which I would mention here is that during the rest of the Plan period, a sum of Rs. 9 crores is to be earmarked for giving financial assistance to students of recognised merit and specially favourable terms will be offered to those who enter the teaching profession.

23. As I mentioned earlier, provision has been included in the Budget next year for a total expenditure of Rs. 1226 crores for implementing the Plan, of which Rs. 196 crores will be on Revenue account and the balance of Rs. 1030 crores as Capital outlay including Loans. In addition Railways are expected to provide Rs. 38 crores and Hindustan Steel and other public sector enterprises Rs. 37 crores from their own resources. These estimates include Rs. 400 crores as assistance to the States of which Rs. 94 crores would be on Revenue account and Rs. 306 crores in the Capital Budget. The States are expected to find Rs. 350 crores from their own funds. Thus the total State Plan outlay next year would amount to Rs. 750 crores, which, with the Central outlay of Rs. 901 crores, would give a total Plan outlay of Rs. 1651 crores in the Third year of the Plan as compared with the current year's budgeted Plan outlay of Rs. 1465 crores. The provision for Plan outlay next year would thus amount to 22 per cent of the total outlay of Rs. 7500 crores for the Plan period as a whole, as against 19.5 per cent for the current year and actual expenditure of a little over 15 per cent in the First year of the Plan.

24. For the next year, the estimates take a credit of Rs. 400 crores from market borrowings including Rs. 100 crores to be raised on behalf of the State Governments. The receipts from Small Savings have been assumed at Rs. 105 crores. Credit has also been taken for Rs. 462 crores from fresh foreign loans and Rs. 90 crores from P.L. 480 deposits including Rs. 30 crores to be transferred from the moneys formerly deposited with the State Bank of India.

25. I may now summarise the overall budgetary position next year. At the existing level of taxation and expenditure, there will be a Revenue deficit of Rs. 267 crores. Capital outlay will amount to Rs. 827 crores, loans to States and other parties, Rs. 716 crores, and debt repayments, Rs. 231 crores. The total disbursement of Rs. 2041 crores is expected to be met to the extent of Rs. 967 crores from internal and external borrowings, Rs. 248 crores from payment of loans, Rs. 90 crores from investment of P. L. 480 Funds and Rs. 282 crores from Miscellaneous Debt and Deposit heads, leaving an overall budgetary gap of Rs. 454 crores.

26. Honourable Members, I am sure, would not expect me to leave this large gap of Rs. 454 crores entirely uncovered. But, before I come to my proposals as to the manner and extent to which this gap should

be covered, I would like to recall a point which I had made when introducing my last Budget. I had emphasised that in a planned economy taxation policy serves not only the objective of raising resources for the Exchequer but it is also an instrument of economic policy to achieve the wider objectives of promoting the rate of growth of the economy and of correcting imbalances between different sectors of it. I should therefore like at this juncture to re-emphasise some of the points calling for special attention which emerge out of the brief review of the economic trends and developments which I have already given.

27. First and foremost, there is the need to increase production and accelerate the pace of development. The growing claims of defence and development cannot be met except on the basis of an expanding volume of production. By far the greater part of the responsibility for increasing production rests with the private sector; and when I refer to the private sector, I am referring not only to organised industry and labour, but also to the millions of our peasants and artisans. We shall have to make every possible effort to ensure that the productive potential of our agriculture and industry, both big and small, is harnessed to the fullest extent to the task in hand. At the same time, there should be clear recognition of the fact that given the magnitude of the task that confronts us, we shall succeed only to the extent that we are prepared to put forth an effort of a kind that transcends ordinary incentives and rewards. The public sector also must make its contribution, more particularly by a speedy and efficient execution of all projects and programme already in hand, so that the fruits of investment we are making begin to be available with the shortest possible delay. In most cases, external assistance is available to cover the foreign exchange requirements of the projects in progress. It would be false economy to allow fiscal or financial considerations to stand in the way of the quick implementation of these projects, whether they are in the public or in the private sector.

28. The second thing which must be evident from what I have said earlier is the seriousness of our foreign exchange position. To the pressures on our balance of payments arising from the requirements of development and a growing burden of servicing foreign debt, we must now add the even more urgent requirements of Defence . Honourable Members would, I am sure, like me to take this opportunity of expressing the gratitude of this country to friendly foreign countries, particularly the United States and Britain, who rushed to our assistance with military equipment and supplies in the hour of need. But the fact that we are being helped liberally with external resources to finance our development and our defence is a reason for us not to slacken but to redouble our efforts to mobilise our own resources to the utmost. Not only, therefore, has the budget to provide the rupee resources we need, but it must also help in securing a better balance on external account. We have put the most stringent restrictions on imports already and a stage has been reached when further restrictions would have a serious detrimental effect both on production and on exports. There is little room left now for drawing further upon our already depleted reserves. Greater availability of assistance for financing imports of materials and components has, therefore, been particularly helpful to us in the present stage of our development when our own industries can deliver increasing amounts of capital goods, with better availability of imported raw materials and components. While it is only proper that we should continue to seek rational changes in the nature and scale of external assistance, we, on our part, have to strain every nerve to increase our export earnings and to keep our requirements of civilian consumption with the strictest limits of austerity. As Honourable Members are aware, we have launched

on a new policy in the country to plug an important source of leakage in our foreign exchange earnings. Drastic and far-reaching as this policy is, it represents only the kind of action that we must be prepared to take on a number of fronts if we are to achieve a position of viability in our external accounts.

29. To the already stringent measures for restricting the quantum of imports, we must now, I feel, add more decisive restraints of a fiscal nature. It is essential for the successful operation of direct controls that they should be reinforced by appropriate budgetary measures and there is a strong case for diverting to the Exchequer a larger share of the profits made by importers, whether on the direct sale of the items imported, or on the sale of products using imported materials and equipment. Both Customs Duties and Excise Duties have a part to play in this regard.

30. Somewhat similar considerations apply to export promotion. We have not only to remove such handicaps as our export industries face as a result of fiscal levies which we impose to meet our domestic requirements, but also to provide positive financial incentives to our nascent export industries to enable them to secure a fair share in foreign markets. The principle of protecting domestic industry in developing countries by import duties has long been accepted as a sound economic doctrine supported by the so-called "infant" industry argument. What is true of domestic industries competing with foreign industries in home markets is equally true of domestic export industries in developing countries that have to compete with well-established exports of more advanced countries. In logic, as indeed in practical necessity or international ethics, there would seem to be no difference between import duties to protect domestic industry and financial incentives to export industries seeking to compete on a more equal footing in overseas markets.

31. I have drawn attention to some of the basic economic considerations that we must bear in mind even as we face the formidable task of providing for a sharp and sizable increase in Defence outlay next year. The overall gap of Rs. 454 crores arises almost entirely from the increase in Defence outlay. Earlier in the year, it was my hope and expectation that having raised taxation in the first two years of the Plan to meet nearly 80 per cent of the target for the Third Five-Year Plan, it would be possible to provide for all essential requirements this year without any significant additional taxation. But the new threat on our borders has made it necessary for me to come to the House with proposals for a much higher order of taxation. We cannot allow the present cessation of active fighting on our frontiers to lull us into a sense of complacency. No matter how great the effort, the resources that are needed to defend the honour and integrity of the motherland must be raised. And as we prepare for this challenge, we cannot plunge the country into the chaos of inflation by unbridled deficit financing.

32. I am deeply conscious of the fact that the scale of taxation which I am about to propose is going to impose an unprecedented burden. It has been my endeavour to ensure that the additional burden is distributed as equitably as possible among the different sections of the community. Honourable Members would appreciate that our requirements are so massive that we cannot possibly meet them without expecting a contribution even from the poorer sections of the community. The enormity of the challenge which confronts us demands nothing less than a measure of sacrifice from every citizen. It is all the more imperative, therefore, that considerations of equity and social justice, which we have accepted

as an integral part of our way of life, should receive even more earnest attention now than ever before.

33. With all the effort at additional taxation I am about to propose, the need for voluntary restraint on the part of the people would also remain as great as ever. The response of all sections of the people in the present Emergency has been truly magnificent. And I have every confidence that the same spirit of willing cooperation and self-restraint will be sustained while the security of the nation is in danger.

34. By far the largest expenditure in the country is incurred by Governments at the Centre and the States. There cannot be any question that economy and efficiency in public expenditure are the very heart of the matter in mobilizing resources. We have taken a number of steps at the Centre to effect economies in several directions. But essentially, the task of achieving the utmost economy in public expenditure is not merely a question of cutting or reducing some items of expenditure or of laying down this or that rule of procedure. What we need is more performance with less expenditure of resources in every sphere of public activity; and what such economy through efficiency requires is an attitude of mind—a spirit of vigilance and responsibility—on the part of all those who are entrusted with the expenditure of the people's money, be they engineers, army officers, contractors, workers, civil servants or indeed Ministers. Here again, the task is one which is for all of us to perform incessantly and not just that which anyone of us can lay down once and for all.

PART 'B' OF THE BUDGET SPEECH FOR 1963-64

35. I now come to my proposals for raising additional resources. Before turning to the specific measures I am proposing, I will outline briefly the broad scheme, I have kept in view, in formulating these proposals.

(a) In view of the parmount need for avoiding any resurgence of inflationary pressures, I have endeavoured to restrict the overall deficit in the Budget to what I consider to be a reasonably safe limit in the present circumstances.

(b) Not all the additional resources, however, are proposed to be raised by additional taxation. My proposals include a comprehensive scheme for compulsory savings, the proceeds of which will be shared between the Centre and the States.

(c) Among the measures of additional taxation, I propose to raise a substantial sum from Customs Duties. The additional Customs levies are designed to ease the pressure on the balance of payments and to encourage domestic production of import substitutes.

(d) I propose to supplement the present Corporate taxation by a Super Profits-tax. I also propose to raise income-tax revenue by levying a progressive surcharge on incomes after tax. Income-tax payers will also participate in the compulsory savings scheme. My proposals include a number of changes which are intended to expedite tax-collection, to curb the growth of perquisites and other unnecessary expenses at the cost of the Exchequer and to rationalise some of the deductions that are at present allowed in Corporate taxation as well as the Wealth tax.

(e) The changes in taxation on Corporations provide for a measure of incentive to exports which are also sought to be encouraged by a budgetary contribution for market development and by a reduction in the export duty on tea.

(f) Changes in Excise Duties are in two parts: first, a selective increase in duties to restrain consumption especially where it aggravates the balance of payments, and second, surcharges of a varying order on a large range of commodities but excluding the major items of mass consumption and a number of basic intermediate goods.

(g) I propose also to ask for powers to vary Excise and Customs duties within limits to provide a measure of flexibility in either direction in response to changing circumstances.

(h) Finally, my proposals include revision of Postal rates.

CUSTOMES

36. Keeping in view this broad scheme, I propose to increase import duties on a number of articles including mineral oils, machinery, iron and steel products, raw cotton, rubber, palm oil, cinema films, tobacco, dyes, hardware, electrical and other instruments and motor vehicle parts. Our imports of kerosene and diesel oil have been rapidly rising and have to be restricted till the growing internal production matches demand. I propose to increase excise duty on most petroleum products substantially and the import duty will be correspondingly increased. The general rate of duty on machinery is being raised from 15 per cent to 20 per cent. The concessional rate of 10 per cent applicable to certain types of essential machinery is proposed to be correspondingly raised to 15 per cent.

Our machine building industries have made rapid strides in the recent past and we want to encourage the establishment of further capacity for the production of machinery in the country. The changes, which I am proposing, will be in keeping with this objective. The duty on iron and steel products is also proposed to be raised generally by 5 per cent. I propose to levy an import duty of 10 naye paise per kilogram on raw cotton and to increase the duty on raw rubber from 10 per cent to 20 per cent. On unexposed film, the increase is from Rs. 6·60 to Rs. 12 per 100 linear metres and I propose to restore the duty on exposed film to the statutory rate including the countervailing duty. The duty on palm oil is being raised by 10 per cent which will still be less than half the statutory rate. I also propose to increase the duty on certain varieties of tools excluding machine tools and agricultural implements from 50 per cent to 60 per cent, and on hardware in general from 75 per cent to 100 per cent. The duty on certain motor vehicle parts is proposed to be raised from 25 per cent to 50 per cent. This will provide a greater incentive for indigenous production. I also propose to increase the duty on electrical and non-electrical instruments by 10 per cent. As a result of these and other changes which I need not detail here, there will be an additional revenue of Rs. 65·98 crores in 1963-64.

37. I also propose to levy general surcharge of 10 per cent on all import duties. This surcharge will be calculated without taking into account the countervailing duties. So far as the latter are concerned, there will be increased revenue on account of changes in excise, of which I shall speak a little later. Further, since an increasing number of our Excise Duties are on an *ad valorem* basis, it is proposed that the corresponding countervailing duty should be calculated on the landed cost inclusive of basic import duties and not on the *c.i.f.* price of the product. The total additional revenue next year from the import surcharge and countervailing duties has been estimated at Rs. 26·79 crores.

38. Consistently with my objective of discouraging imports and encouraging exports, it is proposed to abolish the export duty on tea but to discontinue the refund of Excise Duty on it, which is being allowed at present on its export. This will mean a loss of Customs revenue of Rs. 5·38 crores. The total effect of all the changes on the Customs side will be an increase in revenue of Rs. 87·39 crores in 1963-64.

39. Honourable Members would appreciate that enhancement of Import duties on this scale is designed to have a decisive impact on the demand for imports and on the indigenous production of competing items. At a time when our imports consist essentially of developmental goods, an extensive increase in import duties cannot be undertaken lightly. We have also to bear in mind that an expanding volume of world trade, based on liberal trade policies all round, has a vital bearing on our efforts to achieve a viable position in our external accounts. If I have thought it necessary, despite these considerations, to resort to enhancement of Customs Duties on sueh a large scale, it is because of the fact that our imports have grown a great deal over the past few years and we cannot continue to rely so heavily on the generosity of our friends for financing imports which will inevitably increase even further with the growth of our economy.

Central Excise

40. I have referred earlier to the need for restricting the use of petroleum products. In order to achieve this, I propose to increase the basic

Excise Duty on motor spirit from Rs. 325·10 to Rs. 410, on refined diesel oil from Rs. 305·25 to Rs. 390, on superior kerosene from the existing basic rate of Rs. 79·88 to Rs. 210 and on inferior kerosene from Rs. 64.20 to Rs. 160, all per kilo litre. There will be a corresponding increase in the duty on vaporising oil from Rs. 283·95 to Rs. 370 per kilo litre and on diesel oil not otherwise specified from Rs. 117·70 to Rs. 195 per tonne. These increases will yield an additional revenue of Rs. 48·40 crores in 1963-64. I am aware that the increase in duty on kerosene, which is intended to keep a check on the growth of demand for this item which has to be largely imported, will affect poorer sections of the community, particularly in the rural areas. I propose to offset this partly by removing the Excise Duty on unprocessed vegetable non-essential oil, including the ordinary edible oils. This will mean a loss of revenue of Rs. 10·25 crores per annum. I, however, propose to increase the rates of duty on vegetable product, paints and varnishes and soap, so that the duty hitherto paid on the oil content of these articles will be approximately covered by the increase in the rates of duty on them. It is also proposed to increase the rates of duty on cigarettes on a graded scale by amounts varying from 70 naye paise per thousand on the cheapest to Rs. 8·70 per thousand on the costly cigarettes. I also propose to increase the rate of duty on unmanufactured tobacco other than flue cured and not used for the manufacture of cigarettes, biris, etc., by 40 naye paise per kilogram. I also propose to increase duty on copper by Rs. 200 per tonne in order to restrict its use. It is also proposed to increase the duty on starwboard where the production is more than 1500 tonnes per annum. In order to restrict the control on re-rollers of steel whose number is large and to facilitate enforcement of Excise Duty on iron and steel products, it is proposed to revise the structure of duty on this item without any effect on revenue. A duty of Rs. 30 per tonne will be levied on blooms, billets, slabs, steel bars, tin bars and hoe bars in addition to the duty at ingot stage but further duty will not be charged on bars, rods, wires, forgings, structurals and other products if they are made from semi-finished steel which has paid this duty of Rs. 30. The duty on plates, sheets, hoops, strips and skelp will also be similarly reduced by Rs. 30 per tonne. These changes in the rates of Excise Duty will yield an additional revenue of Rs. 60·28 crores next year, out of which Rs. 9.60 crores will accrue to the States as their share.

41. I do not propose to levy any new excise this year. But in addition to the changes in rates for the few items I have just mentioned, I propose to levy selective surcharges on the Central Excise Duty on several articles with a view to raising revenue exclusively for the Centre which has to carry the burden of Defence. There will be a surcharge of 10 per cent on the duty on synthetic dyes, printing and writing paper, jute manufactures, glass other than plate and sheet glass, chinaware and porcelainware, tinplate, internal combustion engines, electric storage batteries, electric bulbs, motor spirit and diesel oils. There will be a surcharge of 20 per cent on tea, coffee, unmanufactured tobacco, cigarettes, vegetable product, paints and varnishes, soap, cosmetics, plastics, cellophane, tyres, rubber products, paper other than printing and writing paper, cotton yarn of less than 35 counts, woollen fabrics, art silk fabrics, cement, plate and sheet glass, electric motors, dry electric batteries, electric fans, motor vehicles other than motor cars, films and aluminium. There will be a surcharge of 33⅓ per cent on cigars, rayon and woollen yarn, cotton yarn of 35 counts or more, silk fabrics, refrigerators and airconditioning machinery and parts thereof, wireless receiving sets, radiograms and motor

cars. The surcharges have been so arranged as to bear lightly on selected intermediate goods and rather heavily on luxury items consumed by the more well to do classes. As for articles which enter into common consumption, such as sugar, cotton fabrics, footwear, matches and cycle parts as well as patent and proprietory medicines, there will be no change in the excise duty. Most of the basic, intermediate and other products such as soda ash, caustic soda, acids, gases, plywood, asbestos cement products, pig iron, steel ingots iron and steel products, zinc, furnace oil, asphalt and bitumen, petroleum products not otherwise specified and electric wires and cables are also excluded from the scope of the surcharges.

42. The total additional revenue as a result of the surcharges will be Rs. 55·93 crores. For the reason I have already mentioned, it has been proposed in the Finance Bill that the States will not share in the surcharge The net additional revenue in 1963-64 to the Centre on the Central Excise side as a result of the changes in the rates and the surcharges will be Rs. 106·61 crores.

43. I share the anxiety of the House about the price effect of the changes in Excise Duty. I should, therefore, like to mention the exact effect on items of common consumption on the assumption that the entire duty is passed on to the consumer which in actual fact should not be the case. As the duty on ordinary edible oils has been removed, their prices should go down. In the case of matches, sugar and footwear, where there has been no change in duty there should be no increase in prices at all. The surcharge on cotton yarn and the import duty on raw cotton will mean increase only of a fraction over a naya paisa per square metre in the cost of cotton fabrics and should not call for an increase in their prices also. Increase in the duty on tea is of 3 to 9 naye paise per kilogram, varying according to its quality, while that for vegetable product is 6 naye paise per kilogram. Increase in washing soap is of the order of 1·5 naye paise per bar of 45 tolas. The main increase which is in kerosene will be 10 naye paise per bottle of superior kerosene and 7 naye paise for that of inferior kerosene. In order to ensure that there is no profiteering through unwarranted price increases, suitable orders are being issued under the Defence of India Rules.

44. In our present position, it is essential to have also the authority to be able to act at short notice in order to check profiteering and to regulate resources and demand. Government has already powers to reduce Customs or Excise Duty. In the Finance Bill, it is also proposed to take power to enhance these duties or to impose a Customs Duty within specified limits in the course of the year. The limits proposed are 10 per cent *ad valorem* for goods subject to Excise Duty and that rate or 25 per cent of the existing statutory rate whichever is higher for import duty. Given powers to vary Excise and Customs Duties within limits, it should be possible to adjust fiscal policy promptly in response to changing circumstances.

DIRECT TAXES

45. In the field of direct taxes, I propose to levy an additional surcharge for the purpose of the Union rising progressively from 4 per cent to 10 per cent on the incomes after tax, of individuals, Hindu undivided families, unregistered firms and associations of persons. A part of this additional liability can be discharged through a compulsory deposit, as I shall explain later. It is also proposed to levy a surcharge

for the Union of 20 per cent on the income-tax payable by registered firms. Additional yield of Rs. 45 crores is expected from these measures in 1963-64. In regard to the existing surcharges of income-tax and the special surcharge, I propose to abolish the present higher exemption limits of Rs. 15,000 for certain Hindu undivided families and Rs. 7,500 for individuals, unregistered firms, etc. The revenue effect of this measure will be small but it will simplify the structure of these surcharges by removing the complicated system of marginal relief involved in these higher limits.

46. With a view to speeding up collections, I propose to introduce a new provision in section 141A of the Income-tax Act to provide that assessees who pay the tax assessed on them or pay the tax due on the basis of their returns before the 1st January of the relevant assessment year will be entitled to a credit for 1 per cent of the tax so paid by them. Correspondingly, it has been provided that assessees who do not pay the tax on the basis of their returns by the 31st December of the assessment year shall be liable to pay interest at 2 per cent per annum on the tax found due on the basis of their returns. Sections 209 and 210 of the Income-tax Act are also being amended to secure that the amount of advance tax demanded by the Income-tax Officer, on the basis of the last completed regular assessment of the assessee, could be revised by him of the income determined in a provisional assessment for a later year is higher. It is also proposed to restrict, in the case of companies, the deduction for expenditure on account of remuneration and perquisites to Rs. 60,000 per annum for an individual employee. Honourable Members will, I am sure, appreciate that a proliferation of perquisites and high salaries for the privileged employees is one of those phenomena of modern corporate life which cannot be allowed to remain unchecked. These measures to expedite tax collection and to put a curb on high salaries and perquisites are expected to yield a revenue of Rs. 12 crores in 1963-64.

47. I also propose to amend the provisions in Sections 139 and 220 of the Income-tax Act relating to the charging of interest for delay in submission of returns and for non-payment of tax in due time, to provide for a reduction of the amount of interest in consequence of any reduction of the tax assessed under an order on appeal, reference or revision. Regarding charging of interest for delay in filing of returns, it is also proposed to make a provision enabling income-tax authorities to waive or reduce the interest in cases of hardship where the return was delayed due to factors beyond the control of the assessee.

48. It is also proposed to make some amendments to the provisions of the Income-tax Act relating to the recovery of arrear tax dues through officers of the State Governments, functioning as Tax Recovery Officers, with a view to removing certain difficulties and to expedite recovery of arrears.

49. I propose to withdraw the existing exemption up to Rs. 25,000 allowed for jewellery in section 5 of the Wealth-tax Act for the purpose of computing the net wealth of assessees. At a time when we have launched on a new gold policy to reduce the glamour for gold, an exemption for jewellery in Wealth-tax would be inappropriate. The additional revenue expected from this measure is about Rs. 40 lakhs.

50. The 10-year Treasury Deposit Certificates and the 12-year National Plan Saving Certificates which are exempt from Wealth-tax have been

replaced by 10-year Defence Deposit Certificates and 12-year National Defence Certificates. It is, therefore, proposed to include the new Certificates also in the category of exempted assets under the Wealth-tax Act.

EXPORTS

51. Honourable Members will recall the concession in Income-tax given to exporters last year. I propose to continue it this year also. In addition, I propose to add to the incentive for manufacturers. This will apply to manufacturers who are engaged in any of the industries listed in the First Schedule to Industries (Development and Regulation) Act, 1951 other than those mentioned or may be notified and who export their goods themselves or where the goods manufactured by them are exported by the first purchasers from them. Such manufacturers will be allowed in addition to the existing tax rebate, a further rebate of income-tax and super-tax on a sum equivalent to 2 per cent of the value of such exports made hereafter, subject to the limit of the tax otherwise payable by them on their total income.

52. I have pointed out earlier the importance and the necessity of helping our "infant" industries to overcome the difficulties and obstacles which they encounter in making themselves known in overseas markets. If we are to achieve the kind of increase in our export levels, which we need to get over our chronic foreign exchange difficulties, we must rely on our new industries to turn increasingly to export markets. A provision of Rs. 3 crores has been made in the budget for 1963-64 for developing new markets including publicity, survey, research and promotion of exports. Out of this, suitable sums will be placed at the disposal of Export Promotion Councils and other similar bodies to help in the vital task of export promotion.

SUPER PROFITS-TAX

53. So far I have applied myself to practicable increases in the existing instruments of taxation. They are, however not enough either to raise adequate resources or to secure an equitable distribution of the burden we have to shoulder.

54. In our system of corporate taxation, there is no correlation between the rate of tax and the percentage of profits. This shortcoming needs to be remedied especially at the present juncture when the corporate sector like the rest of the community must bear its share of the increased national responsibility. Instead of revising the present system, I propose to super-impose on it a Super Profits-tax. That tax will operate when the income of a company after deducting the Income-tax and Super-tax payable by it exceeds 6 per cent of its capital and reserves except for such amounts of reserves which have been allowed as deduction in computing the total income for Income-tax. The rate of tax will be 50 per cent when that income is above 6 per cent but not above 10 per cent of the capital and 60 per cent on incomes above 10 per cent. It is hoped that this tax will act as a disincentive to excessive profits and will help to keep down the prices.

55. It is proposed to disallow expenses on commission, advertisement and entertainment to the extent that there is reason to believe that they are inflated for reducing profits artificially.

56. The Super Profits-tax is expected to yield a revenue of about Rs. 25 crores in 1963-64.

COMPULSORY SAVINGS

57. Apart from taxation, we have relied on the voluntary savings of the people to meet our growing requirements of development. Voluntary savings and contributions have an important part to play in the present Emergency also. In view, however, of the sharp increase in our requirements, it would be appropriate to introduce a comprehensive scheme of compulsory saving to supplement the effort by way of additional taxation and voluntary savings. Like taxation, compulsory saving will restrain demand in the immediate future; whereas unlike taxation, it would provide an earning asset to the people and generally help in inculcating the saving habit in the country.

58. Accordingly, I am introducing a Bill which will enable Government to provide for compulsory saving on the part of different sections of the people on appropriate scales, subject to certain maxima provided for in the Bill. These maxima are: 50 per cent of the basic land revenue on 1959-60 assessment for agriculturists; 3 per cent of the annual rental value of property for property-owners in urban areas; 3 per cent of salary for employees who earn more than Rs. 1500 per annum but are not liable to income-tax; and other comparable rates for professional and other classes. In the case of income-tax payers whose residual income after payment of tax does not exceed Rs. 6,000, an amount equal to 3 per cent thereof and in the case of others having a higher amount of residual income, an amount equal to 2 per cent thereof will, on being deposited under the compulsory savings scheme, be deducted from the new additional surcharge payable by them. Of the total yield of Rs. 45 crores under the Union surcharge, already referred to, some Rs. 12 crores may, therefore, accrue as compulsory deposit. Deposits under the scheme will not be withdrawable for a period of five years and would carry simple interest at 4 per cent per annum.

59. Arrangements for collecting compulsory deposits are being worked out in co-operation with the States which will get a share in the proceeds of the scheme. Total collections under the scheme and its net contribution to additional resources are difficult to estimate; but on an approximate basis, total collections under the scheme might amount to between Rs. 65 crores and Rs. 70 crores. Pending arrangements for sharing the proceeds with the States, I am taking credit for a net increase in the Central resources of Rs. 40 crores by way of proceeds of compulsory savings, including Rs. 12 crores from income-tax payers.

60. The additional resources from all the direct levies proposed, including compulsory savings, would thus be Rs 110.4 crores, of which Rs. 40 crores would be by way of compulsory savings Rs. 33 crores by way of Union surcharge on income-tax, Rs. 25 crores by way of the super-profits tax and Rs. 12.4 crores by way of measures of rationalisation and reduction of elimination of exemptions.

POSTAL RATES

61. As the House is aware, the Postal and Telegraph branches of the Posts and Telegraphs Department have generally been working at a loss. Many of the services we provide on the postal side are unremunerative. The average cost of post card to the Department is 8 nP whereas we recover only 5 nP. The annual loss on post cards alone is over Rs. 3 crores. On registered letters we lose about Rs. 1½ crores. The Posts and

Telegraphs services are being extended to remote areas by the opening of Posts and Telegraphs offices which are not remunerative. On all these considerations it is proposed to raise the existing rate of 5 nP. for single and 10 nP. for reply post cards to 6 nP. and 12 nP. respectively. Local post cards as a separate category will be abolished. For book, pattern and sample packets, the rate will be increased from 8 nP for the first 50 grams and 3 nP for every additional 25 grams to 10 nP and 5 nP respectively. The rates on parcels will be increased from the existing charge of 50 nP to 60 nP for every 400 grams. The registration fee is proposed to be raised from 50 nP to 55 nP and the acknowledgement fee from 6 nP to 10 nP. Certain other increases in the fees for certificate of posting, insurance, business reply permits and post box rentals are also being proposed. The additional revenue expected from the increase in the postal rates will be about Rs. 3·15 crores.

62. It is proposed to revise the inland telegram rates from 80 nP. for the first 8 words and 8 nP for each additional word to one rupee for the first 10 words and 10 nP for each additional word. The charges for greetings telegrams will be raised from 50 nP for 6 words and 7 nP for each additional word to 75 nP for the first 8 words and 10 nP for each additional word. The rates for express telegrams will be correspondingly doubled. The separate category of Local telegrams including greetings telegrams will be abolished. At present, the charge for registration of abbreviated telegraphic addresses varies with the period of validity of the registration. It is proposed to levy a uniform fee of Rs. 50 for a period of 12 months in future. These measures are expected to bring in Rs 95 lakhs.

63. As regards trunk telephones, the concession on urgent calls during the period the concessional rates apply, will be reduced from 50 per cent to 25 per cent and the concession on priority calls during this period will be withdrawn. This will yield about Rs. 50 lakhs. The changes in postal, telegraph and telephone rates would in all yield Rs. 4·6 crores.

64. As the surplus of the Posts and Telegraphs Department, like the surplus of the Railways, after payment of the dividend to the General Revenues, is transferred for credit to its Renewals Reserve Fund, it will not have any net effect on the Revenue Budget. Credit for the transfers to the Railways and Posts and Telegraphs Funds has already been taken into account in arriving at the overall deficit.

EMERGENCY RISKS INSURANCE

65. I had said earlier that at present rates, receipts on account of Emergency Risks Insurance would amount to Rs. 36 crores in the coming year. As the premium for Emergency Risks Insurance is not meant to be a fiscal levy, it must vary from quarter to quarter depending upon an assessment of the risk. For the quarter commencing 1st April, 1963 I propose to reduce the premia from 25 naye paise to 15 naye paise in respect of factories and other installations and from 15 naye paise to 10 naye paise for goods. This reduction for the quarter commencing 1st April 1963 would reduce receipts for that quarter from Rs. 9 crores to Rs. 6 crores. As the rates for the subsequent quarters cannot be decided upon at this stage, I am providing for the present for a reduction of Rs. 3 crores only in the receipts on account of Emergency Risks Insturance, that is for Rs. 33 crores against Rs. 36 crores indicated earlier.

STATE RESOURCES

66. In mobilising resources for the coming year we have also to bear in mind the needs of the States for additional resources. In this connection, I have already introduced a Bill to amend the Central Sales-tax Act. The amendments proposed in it will yield a revenue of Rs. 22.5 crores in 1963-64, of which Rs. 1.5 crores will accrue to the Centre from Union Territories and Rs. 21 crores will accrue to the States. In a full year the yield to the Centre and the States will be Rs. 30 crores. As a result of the changes in Central Excise Duties, Rs. 9·60 crores will go as the States' share. They will also share in the Compulsory Savings Scheme. They will thus have a substantial accretion to their resources in the next year as a result of the steps I have proposed. Notwithstanding this, the States would still need to tap in a major way the resources open to them. I have brought this to their notice in my discussions with the Chief Ministers and Finance Ministers of the States. While the burden of finding resources for the defence of the country rests heavily on the Centre, it is the duty of the States to find larger resources to finance their part of the Plan.

67. The taxation proposals outlined by me would yield a total additional revenue of Rs. 275·50 crores. Of this, a sum of Rs. 9·60 crores will accrue to the States and the balance of Rs. 265·90 crores to the Centre, reducing the revenue deficit to Rs. 77 lakhs.

68. The Compulsory Savings Scheme is expected to bring in at the Centre an additional sum of Rs. 40 crores over and above the net realisations from Small Savings of Rs. 105 crores. The reduction in the rates of the Emergency Risks Insurance for the first quarter would reduce the credit to the Fund by Rs. 3 crores. Taking into account the amount to be realised by way of additional taxation and the net improvement of Rs. 37 crores in Capital receipts, the overall deficit would stand reduced to Rs. 151 crores, which will be met by expansion of treasury bills. Considering everything, it would not be unreasonable to expect that deficit financing of this order will not have any adverse effect on the economy.

CONCLUSION

69. This then is the sum total of my proposals for raising resources for defence and development next year—a total effort of Rs. 305.90 crores of which Customs Duties account for Rs. 87.39 crores, direct levies, including compulsory saving, on individuals and companies for Rs. 110.40 crores and Excise Duties and inter-State Sales-tax for the balance of Rs. 108·11 crores. It has not been an easy thing for me to contemplate that the proposals I am called upon to make for my fifth budget add up in their magnitude and range to very much more than the sum total of my proposals during the previous four budgets. It would certainly not be easy for the people to accept these proposals without a measure of privation on their part. The question that each of us individually and all of us as a nation have to consider, however, are: Can we afford not to meet the challenge of the Chinese aggression? Would it be prudent to try and meet this challenge by forsaking our aspirations for development? Or indeed, would it be wise not to face it squarely and unleash instead the forces of inflation? It is because I have been unable to

answer these questions in the affirmative that I have ventured to submit the proposals that I have. I have endeavoured, in doing so, to be fair and constructive to the best of my ability. I only hope that in time, the determination of the people in meeting the challenge that confronts us would make it possible for us to turn our energies even more vigorously to the pursuit of peace, freedom and progress with justice, to which this nation is dedicated.

SUMMARY OF

(In lakhs of Rupees)

REVENUE	Budget 1962-63	Revised 1962-63	Budget 1963-64
Customs	2,07,82	2,31,65	2,21,20 +87,39*
Union Excise Duties	5,22,02	5,53,69	5,83,96 +1,06,61*
Corporation Tax	1,78,45	1,87,50	1,96,00 +31,00*
Taxes on Income	68,65	77,23	81,05 +39,00*
Estate Duty	12	12	12
Taxes on Wealth	9,00	9,00	9,00 +40*
Expenditure Tax	10	20	10
Gift Tax	85	95	95
Other Heads	15,83	17,75	18,37 +1,50*
Debt Services	1,67,51	1,76,49	2,17,05
Administrative Services	6,11	6,75	6,76
Social and Developmental Services	35,29	43,37	31,61
Multipurpose River Schemes, etc.	36	39	45
Public Works, etc.	4,02	4,11	4,38
Transport & Communications	6,30	6,67	7,46
Currency & Mint	69,53	70,56	73,68
Miscellaneous	24,56	25,62	24,93
Contributions and Miscellaneous Adjustments	24,41	25,20	27,66
Extraordinary items	40,00	63,00	81,00
TOTAL REVENUE	13,80,93	15,00,25	15,85,73 +2,65,90*

*Effect of Budget proposals.

FINAL ESTIMATES

(In lakhs of Rupees)

EXPENDITURE	Budget 1962-63	Revised 1962-63	Budget 1963-64
Collection of Taxes, Duties and other Principal Revenues	22,58	23,07	23,83
Debt Services	2,47,90	2,46,03	2,80,24
Administrative Services	70,31	76,39	88,28
Social and Developmental Services	1,63,24	1,57,26	1,55,40
Multipurpose River Schemes, etc.	1,57	78	1,96
Public Works, etc.	21,88	23,71	20,94
Transport & Communications	8,75	8,75	9,79
Currency & Mint	20,23	22,96	17,24
Miscellaneous:			
Pensions	10,47	10,64	10,68
Expenditure on Displaced Persons	9,60	9,60	8,41
Other Expenditure	89,38	88,20	91,89
Contributions & Miscellaneous Adjustments:			
Grants to States	2,13,54	2,10,24	2,17,55
States Share of Union Excise Duties	1,14,36	1,24,91	1,28,07
Other Expenditure	3,07	3,35	3,42
Extraordinary items	41,40	64,61	86,19
Defence Services (Net)	3,43,37	4,51,81	7,08,51
TOTAL EXPENDITURE	13,81,65	15,22,31	18,52,40
Deficit (—)	(—)72	(—)22,06	(—)2,66,67
Surplus (+)			(+)2,65,90*

*Effect of Budget proposals.

GOVERNMENT OF INDIA

BUDGET

OF THE

CENTRAL GOVERNMENT

FOR

1963-64

(As laid before Parliament, 1963)

MINISTRY OF FINANCE

New Delhi, the 28th February, 1963

L. K. JHA,

Secretary to the Government of India

I—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

(In Thousands of Rupees)

	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
REVENUE RECEIPTS—					
Taxes, Duties and other Principal Heads of Revenue—					
Customs . . .	A	2,12,24,70	2,07,82,00	2,31,65,00	2,21,20,00 +87,39,00*
Union Excise Duties	,,	4,89,31,33	5,22,02,00	5,53,68,86	5,83,95,90 +1,06,61,00*†
Corporation Tax	,,	1,56,46,30	1,78,45,00	1,87,50,00	1,96,00,00 +31,00,00*
Taxes on Income other than Corporation Tax	,,	71,54,52	68,65,00	77,23,00	81,05,00 +39,00,00*
Estate Duty .	,,	33,00	12,04	11,91	**11,96**
Taxes on Wealth .	,,	8,25,80	9,00,00	9,00,00	9,00,00 +40,00*
Expenditure Tax .	,,	83,74	10,00	20,00	9,50
Gift Tax . . .	,,	1,00,66	85,00	95,00	95,00
Other Heads .	,,	16,01,89	15,83,06	17,75,15	**18,36,66** +1,50,00*
TOTAL—TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE		9,56,01,94	10,02,84,10	10,78,08,92	£11,10,74,02 +2,65,90,00*
Debt Services .	,,	12,22,37	1,67,51,23	1,76,49,20	2,17,05,05
Administrative Services	,,	83,74	6,10,88	6,75,35	**6,76,41**
Social and Developmental Services .	,,	46,49,72	35,29,24	43,36,93	**31,60,55**
Multi-purpose River Schemes, Irrigation and Electricity Schemes .	,,	56	36,09	38,89	**45,03**
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements .	,,	3,86,56	4,02,10	4,11,29	**4,38,10**
Transport and Communications (other than Roads) .	,,	2,58,54	6,29,62	6,66,70	**7,46,32**
Currency and Mint .	,,	54,43,58	69,53,07	70,56,21	73,67,71
Miscellaneous Adjustments (other than contributions from Railways and P&T) .	,,	24,99,41	24,55,85	25,61,89	**24,93,05**
Contribution from Railways . . .	,,	—12,22	2,58,39	3,73,84	**2,40,45**
Contribution from Posts and Telegraphs	,,	20,66,12	21,03,60	20,70,63	24,15,33
Extraordinary Items .	,,	77,27	78,66	75,51	**1,10,70**
TOTAL—REVENUE RECEIPTS . . .	,,	13,95,89	40,00,00	63,00,00	**81,00,00**
		11,36,73,48	13,80,92,83	15,00,25,35	15,85,72,72 +2,65,90,00*
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT . . .		..	72,08	22,05,73	77,41
TOTAL .		11,36,73,48	13,81,64,91	15,22,31,08	18,52,40,13

*Effect of Budget proposals. Ignores the effect of changes in the Postal rates and in the rates of premium under the Emergency Risk (Goods & Factories) Insurance Scheme.

†Excludes a sum of Rs. 9·60 crores being the share of Union Excise Duties payable to States which has been taken in reduction of Revenue.

NOTE.—The Accounts for 1961-62 have not been finally closed and the actuals given here are only provisional.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

(In Thousands of Rupees)

	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
EXPENDITURE MET FROM REVENUE—					
Collection of Taxes, Duties and other Principal Revenues .	B	21,16,31	22,58,39	23,06,98	23,83,00
Debt Services . .	,,	82,85,05	2,47,90,13	2,46,02,93	2,80,24,05
Administrative Services	,,	59,17,42	70,30,87	76,39,02	88,28,22
Social and Developmental Services .	,,	1,49,89,36	1,63,24,59	1,57,26,42	1,55,39,86
Multipurpose River Schemes, Irrigation and Electricity Schemes . . .	,,	1,10,10	1,56,93	77,75	1,95,57
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements	,,	19,25,90	21,87,75	23,70,67	20,93,99
Transport and Communications (other than Roads) . . .	,,	6,03,83	8,74,80	8,75,32	9,78,69
Currency and Mint .	,,	11,68,91	20,22,96	22,95,51	17,24,50
Miscellaneous . .	,,	78,73,16	1,09,44,72	1,08,44,12	1,10,98,56
Contributions and Miscellaneous Adjustments . . .	,,	2,78,65,56	3,30,96,82	3,38,50,26	3,49,03,96
Extraordinary Items .	,,	13,78,62	41,40,28	64,60,66	86,18,73
Defence Services (*a*)	,,	2,89,53,90	3,43,36,67	4,51,81,44	7,08,51,00
TOTAL—EXPENDITURE MET FROM REVENUE .	,,	10,11,88,12	13,81,64,91	15,22,31,08	18,52,40,13
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS . . .		1,24,85,36	..	..	..
TOTAL .		11,36,73,48	13,81,64,91	15,22,31,08	18,52,40,13

(*a*) Figures shown net ; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II—GENERAL STATEMENT OF THE RECEIPTS

(In thousands of Rupees)

RECEIPTS	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
Revenue Surplus (as shown in Part I) .		1,24,85,36	..	..	..
Capital Accounts not met from Revenue .		—2	..	..	..
Permanent Debt (net)	C	3,67,34,83	4,88,07,41	4,88,15,77	6,31,36,33
Floating Debt (net) .	,,	72,13,50	89,02,14	2,43,45,00	1,51,02,14
Loans and Advances by the Central Government (net) . .	,,	..	..	..	..
Inter-State Settlement (net) . . .	,,	..	..	1,75,79	..
TOTAL—I—CONSOLIDATED FUND OF INDIA .	,,	5,64,33,67	5,77,09,55	7,33,36,56	7,82,38,47
II.—CONTINGENCY FUND OF INDIA .	C	75	..	..	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt (net) .	C	1,18,78,24	2,33,15,52	1,89,44,55	2,41,71,67 +40,00,00*
Depreciation and other Reserve Funds (net)	,,	..	16,27,42	10,16,50	36,37,80
Appropriation for Reduction or Avoidance of Debt . . .	,,	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net) . .	,,	1,05,49,39	1,63,74,76	1,67,32,04	2,25,63,52 —3,00,00*
Remittances (net)	,,	..	95,00	9,49,62	9,37,21
Transfer of Cash between England and India (net)	,,	..	..	..	..
TOTAL III.—PUBLIC ACCOUNT . .		2,92,27,63	4,19,12,70	3,81,42,71	5,18,10,20 +37,00,00*
TOTAL—RECEIPTS .		8,56,62,05	9,96,22,25	11,14,79,27	13,37,48,67
OPENING BALANCE .	C	45,21,54	49,92,34	49,39,87	50,62,05
TOTAL .		9,01,83,59	10,46,14,59	11,64,19,14	13,88,10,72

*Effect of Budget proposals.

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

DISBURSEMENTS	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
-CONSOLIDATED FUND OF INDIA—					
Revenue Deficit (as shown in Part I) .	C	..	72,08	22,05,73	77,41
Capital Accounts not met from Revenue .	"	4,36,33,26	6,52,45,19	6,72,84,62	8,87,37,03
Permanent Debt (net) .	"	..	..	..	..
Floating Debt (net) .	"	..	..	..	..
Loans and Advances by the Central Government (net) . .	"	3,87,37,79	3,43,62,94	4,18,66,74	4,48,48,96
Inter-State Settlement (net) . . .	"	1,79,13	12	..	90,41
TOTAL—I.—CONSOLIDATED FUND OF INDIA .	"	8,25,50,18	9,96,80,33	11,13,57,09	13,37,53,81
II.—CONTINGENCY FUND OF INDIA .	C	4	..	..	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt (net) .	"	..	..	..	..
Depreciation and other Reserve Funds (net) .	"	1,84,32	..	..	..
Other Deposits and Advances (net) . .	"	..	..	..	..
Remittances (net) .	"	25,07,21	..	..	..
Transfer of Cash between England and India (net) . .	"	1,97	..	..	..
Reserve Bank Deposits (net) . . .	"	..	..	..	..
TOTAL—III—PUBLIC ACCOUNT . . .	"	26,93,50	..	..	..
TOTAL—DISBURSEMENTS .		8,52,43,72	9,96,80,33	11,13,57,09	13,37,53,81
CLOSING BALANCE . .	C	49,39,87	49,34,26	50,62,05	50,56,91
TOTAL .		9,01,83,59	10,46,14,59	11,64,19,14	13,88,10,72

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—						
TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE—						
I.—Customs . .	2,12,24,70	2,07,82,00	2,31,65,00	+23,83,00	3,08,59,00	+76,94,00
II.—Union Excise Duties. . .	4,89,31,33	5,22,02,00	5,53,68,86	+31,66,86	6,90,56,90	+1,36,88,04
III.—Corporation Tax	1,56,46,30	1,78,45,00	1,87,50,00	+9,05,00	2,27,00,00	+39,50,00
IV.—Taxes on Income other than Corporation Tax .	71,54,52	68,65,00	77,23,00	+8,58,00	1,20,05,00	+42,82,00
V.—Estate Duty. .	33,00	12,04	11,91	—13	11,96	+5
V-A/VI.—Taxes on Wealth . .	8,25,80	9,00,00	9,00,00	..	9,40,00	+40,00
V-C/VII.—Expenditure Tax . . .	83,74	10,00	20,00	+10,00	9,50	—10,50
V-D/VIII.—Gift Tax .	1,00,66	85,00	95,00	+10,00	95,00	..
VII/IX.—Land Revenue	56,36	67,26	69,11	+1,85	69,78	+67
VIII/X.—State Excise Duties. . .	2,01,75	1,82,07	2,15,32	+33,25	1,56,61	—58,71
XII/XI.—Taxes on Vehicles . .	59,71	64,32	69,73	+5,41	1,09,78	+40,05
XII-A/XII.—Sales Tax	5,99,48	5,81,15	6,62,52	+81,37	8,67,70	+2,05,18
XIII.—Other Taxes and Duties . .	2,79,66	2,79,49	2,94,03	+14,54	2,96,09	+2,06
IX/XIV.—Stamps .	3,92,50	3,95,08	4,49,76	+54,68	4,70,25	+20,49
XI/XV.—Registration Fees . . .	12,43	13,69	14,68	+99	16,45	+1,77
TOTAL—TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE . . .	9,56,01,94	10,02,84,10	10,78,08,92	+75,24,82	13,76,64,02	+2,98,55,10
DEBT SERVICES—						
XX/XVI.—Interest—						
Interest from State Governments .	..	80,00,00	90,00,00	+10,00,00	1,00,00,00	+10,00,00
Interest from Railways . . .	..	60,81,74	60,52,66	—29,08	68,95,53	+8,42,87
Interest from Posts and Telegraphs .	..	4,78,52	4,77,76	—76	5,71,67	+93,91
Interest from other Commercial Departments . . .	..	86,63				
Other Interest Receipts . . .	12,22,37	21,04,34	21,18,78	—72,19	42,37,85	+21,19,07
TOTAL—DEBT SERVICES	12,22,37	1,67,51,23	1,76,49,20	+8,97,97	2,17,05,05	+40,55,85
Carried Over .	9,68,24,31	11,70,35,33	12,54,58,12	+84,22,79	15,93,69,07	+3,39,10,95

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA —*contd.*						
Brought Forward	9,68,24,31	11,70,35,33	12,54,58,12	+84,22,79	15,93,69,07	+3,39,10,95
ADMINISTRATIVE SERVICES—						
XXI/XVII.—Administration of Justice	25,49	24,19	26,64	+2,45	26,52	—12
XXII/XVIII.—Jails	2,30	1,38	2,63	+1,25	2,85	+22
XXIII/XIX.—Police	55,95	73,46	79,49	+6,03	43,96	—35,53
X—Supplies and Disposals	..	3,51,50	2,62,24	+10,74	3,99,88	+37,64
XXI.—Miscellaneous Departments	..	1,60,35	2,04,35	+44,00	2,03,20	—1,15
TOTAL—ADMINISTRATIVE SERVICES	83,74	6,10,88	6,75,35	+64,47	6,76,41	+1,06
SOCIAL AND DEVELOPMENTAL SERVICES—						
XXVI/XXII.—Education	83,30	49,97	61,91	+11,94	63,06	+1,15
XXVI/XXIII.—Medical	79,21	70,91	58,70	—12,21	53,59	—5,11
XXVIII/XXIV.—Public Health	41,38	19,70	21,61	+1,91	19,99	—1,62
XXIX/XXVX. Agriculture	1,34,35	1,58,77	1,47,12	—11,65	1,68,11	+20,99
XXIX-A/XXVI.—Rural Development	1,38	30	37	+7	35	—2
XXX/XXVII.—Animal Husbandry	32,89	24,29	32,95	+8,66	29,79	—3,16
XXXI/XXVIII.—Co-operation	5,09	2,34	4,13	+1,79	2,39	—1,74
XXXII.—Industries and Supplies/XXIX—industries	33,52,88	25,52,64	30,96,45	+5,43,81	19,53,19	—11,43,26
XXXIV/XXX.—Broadcasting	4,07,17	3,59,02	4,09,55	+50,53	4,15,98	+6,43
XXXVI-A/XXXI.-Community Development Projects, National Extension Service and Local Development Works	3,59	3,00	5,27	+2,27	5,18	—9
XXXVI.—Miscellaneous Departments/XXXII.—Miscellaneous Social and Developmental Organisations	5,08,48	2,88,30	4,98,86	+2,10,56	4,48,92	—49,94
TOTAL—SOCIAL AND DEVELOPMENTAL SERVICES	46,49,72	35,29,24	43,36,92	+8,07,68	31,60,55	—11,76,37
Carried Over	10,15,57,77	12,11,75,45	13,04,70,39	+92,94,94	16,32,06,03	+3,27,35,64

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA —*contd.*						
Brought Forward .	10,15,57,77	12,11,75,45	13,04,70,39	+92,94,94	16,32,06,03	+3,27,35,64
MULTI-PURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES—						
XL-A/XXXIII.—Multi-purpose River Schemes . . .	9,18	1,66	3,15	+1,49	3,15	..
XVII/XXXIV.—Irrigation Navigation, Embankment and Drainage Works (Commercial) . .	..	..	..	..	..	..
XVIII/XXXV.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial) .	16	..	35	+35	8	—27
XLI.—Receipts from Electricity Schemes/ XXXVI—Electricity Schemes-Gross Receipt	24,60	34,43	35,39	+96	41,80	+6,41
Deduct—Working Expenses . . .	—33,38	..	..	..	..	..
NET RECEIPTS—Electricity Schemes .	—8,78	34,43	35,39	+96	41,80	+6,41
TOTAL—MULTI-PURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEME . .	56	36,09	38,89	+2,80	45,03	+6,14
CARRIED OVER .	10,15,58,33	12,12,11,54	13,05,09,28	+92,97,74	16,32,51,06	+3,27,41,78

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1961-62	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	10,15,58,33	12,12,11,54	13,05,09,28	+92,97,74	16,32,51,06	+3,27,41,78
PUBLIC WORKS (INCLUDING ROADS) AND SHEMES OF MISCELLANEOUS PUBLIC IMPROVEMENTS—						
XXXIX—Civil Works/XXXVII—Public Works . . .	3,86,56	4,02,10	4,11,29	+9,19	4,38,10	+26,81
TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)— .						
XXIV/XXXIX.—Ports and Pilotage . .	33,41	34,02	38,17	+4,15	48,17	+10,00
XXIV-A/XL.—Mercantile Marine . .	8,87	8,72	9,21	+49	9,24	+3
XXV/XLI.—Lighthouses and Lightships .	91,70	97,04	95,87	—1,17	1,10,41	+14,54
XXXIII/XLVI.—Aviation . . .	1,29,09	1,14,01	1,17,51	+3,50	1,17,29	—22
XLVI-A—Receipts from Road and Water Transport Schemes/XLIII.—Road and Water Transport Schemes . .						
Gross Receipts .	1,09,45	1,35,53	1,40,89	+5,36	1,60,91	+20,02
Deduct—Working Expenses . . .	—1,13,98	..	..	..	..	..
NET RECEIPTS. .	—4,53	1,35,53	1,40,89	+5,36	1,60,91	+20,02
XLIV.—Overseas Communications Service	..	2,40,30	2,65,05	+24,75	3,00,30	+35,25
TOTAL—TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS) .	2,58,54	6,29,62	6,66,70	+37,08	7,46,32	+79,62
CARRIED OVER . .	10,22,03,43	12,22,43,26	13,15,87,27	+93,44,01	16,44,35,48	+3,28,48,21

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	10,22,03,43	12,22,43,26	13,15,87,27	+93,44,01	16,44,35,48	+3,28,48,21
CURRENCY AND MINT—						
XXXVII.—Currency/XLV.—Currency and Coinage . .	46,30,14	69,38,41	69,54,99	+16,58	71,04,27	+1,49,28
XXXVIII/XLVI,—Mint	8,13,44	14,66	21,20	+6,54	22,09	+89
XLVI-A Kolar Gold Mines . .	..	..	80,02	+80,02	2,41,35	+1,61,33
TOTAL—CURRENCY AND MINT . . .	54,43,58	69,53,07	70,56,21	+1,03,14	73,67,71	+3,11,50
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation/XLVIII.—Contributions and Recoveries towards Pensions and Other Retirement benefits . .	1,46,00	68,36	1,10,16	+41,80	96,57	—13,59
XLV/XLIX.—Stationery and Printing .	64,39	1,12,72	69,74	—42,98	76,48	+6,74
VI/L.—Opium .	4,99,52	5,01,15	4,23,97	—77,18	4,50,98	+27,01
X/LI.—Forest . .	4,24,84	3,97,08	4,62,78	+65,70	4,82,39	+19,61
XLVI/LII.—Miscellaneous . . .	13,64,66	13,76,54	14,95,24	+1,18,70	13,86,63	—1,08,61
TOTAL—MISCELLANEOUS	24,99,41	24,55,85	25,61,89	+1,06,04	24,93,05	—68,84
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS—						
XLV-A/LIII.—Contribution from Railways	20,66,12	21,03,60	20,70,63	—32,97	24,15,33	+3,44,70
XLV-B/LIV—Contribution from Posts and Telegraphs . .	77,27	78,66	75,51	—3,15	1,10,70	+35,19
L/LVII.—Miscellaneous Adjustments between Central and State Governments .	—12,22	..	..	..	..	..
LVIII.—Dividends, etc. from Commercial and other Undertakings . .	..	2,58,39	3,73,84	+1,15,45	2,40,45	—1,33,39
LIX.—Other Miscellaneous Contributions and Assignments	..	..	..	..	..	..
TOTAL—CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS . .	21,31,17	24,40,65	25,19,98	+79,33	27,66,48	+2,46,50
CARRIED OVER . .	11,22,77,59	13,40,92,83	14,37,25,35	+96,32,52	17,70,62,72	+3,33,37,37

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*concld.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budtget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Reveisd, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*concld.*						
Brought Forward .	11,22,77,59	13,40,92,83	14,37,25,35	+96,32,52	17,70,62,72	+3,33,37,37
EXTRAORDINARY ITEMS—						
LI/LX—EXTRA ORDINARY RECEIPTS . .	13,95,76	40,00,00	54,00,00	+14,00,00	45,00,00	—9,00,00
LII-C/LXI.—Prepartition Receipts . .	13	..	..	..	..	..
LXI-A—Receipts connected with the National Emergency	..	..	9,00,00	+9,00,00	36,00,00	+27,00,00
TOTAL—EXTRAORDINARY ITEMS . . .	13,95,89	40,00,00	63,00,00	+23,00,00	81,00,00	+18,00,00
DEFENCE SERVICES—						
XLVII/LXII—Defence Services—Effective .	21,96,60	15,47,79	17,27,53	+1,79,74	17,06,85	—20,68
XLVIII/LXIII—Defence Service—Non-effective . .	28,40	18,90	43,26	+24,36	52,55	+9,29
TOTAL—DEFENCE SERVICES . . .	22,25,00	15,66,69	17,70,79	+2,04,10	17,59,40	—11,39
POSTS AND TELEGRAPHS—						
XIX/LXIX.—Posts and Telegraphs (Gross Receipts) . .	87,88,81	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
Deduct — Working Expenses . .	—70,55,53	..	..	..	..	..
NET RECEIPTS—POSTS AND TELEGRAPHS .	17,33,28	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
RAILWAYS—						
Railway Revenue as per Railway Budget .	1,12,63,10	5,45,55,26	5,50,39,23	+4,83,97	5,99,95,07	+49,55,84
TOTAL—REVENUE. .	12,88,94,86	20,31,36,78	21,64,75,37	+133,38,59	25,76,68,19	4,11,92,82
Excess of Expenditure over Revenue or Deficit . . .	..	72,08	22,05,73	..	77,41	..

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised 1962-63,
I.—CONSOLIDATED FUND OF INDIA—contd.						
COLLECTION OF TAXES DUTIES AND OTHER PRINCIPAL REVENUES—						
1.—Customs . .	3,56,74	4,01,34	4,01,24	—10	4,18,03	+16,79
2.—Union Excise Duties	7,45,39	7,95,83	8,29,28	+33,45	8,53,51	+24,23
3.—Corporation Tax. .	..	45,51	54,39	+8,88	56,84	+2,45
4.—Taxes on Income Other than Corporation Tax . .	6,04,54	5,38,08	5,57,61	+19,53	5,91,31	+ ,70
5.—Estate Duty . .	20	8,94	8,87	—7	8,80	—7
5A/6.—Taxes on Wealth	..	25,48	29,13	+3,65	29,76	+63
5C/7.—Expenditure Tax	..	2,91	65	—2,26	31	—34
5D/8.—Gift Tax .	..	2,91	2,75	—16	2,81	+6
7/9.—Land Revenue .	70,76	80,79	66,73	—14,06	67,98	+1,25
8/10.—State Excise Duties	48,99	41,67	33,06	—8,61	6,22	—26,84
12/11.—Taxes on Vehicles . . .	4,12	4,25	4,42	+17	4,80	+38
12-A/12.—Sales Tax	13,11	14,07	14,42	+35	14,58	+16
13.—Other Taxes and Duties . .	16,89	19,77	27,99	+8,22	22,75	—5,24
9/14.—Stamps . .	2,53,30	2,74,40	2,74,18	—22	3,02,95	+28,77
11/15.—Registration Fees . . .	2,27	2,44	2,26	—18	2,35	+9
TOTAL—COLLECTION OF TAXES, DUTIES AND OTHER PRINCIPAL REVENUES . .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02
DEBT SERVICES— 22/16.—Interest on Debt and Other Obligations . .	2,09,44,27	2,42,90,13	2,41,02,93	—1,87,20	2,75,24,05	+34,21,12
Deduct.—Interest transferred to — Railways . .	55,21,48	..	..	..	..	..
Posts and Telegraphs . .	4,20,29	..	..	..	..	..
State Governments . .	68,74,55					
Other heads .	3,42,90	..	..	..	..	..
TOTAL—TRANSFERS .	1,31,59,22	..	..	..	..	..
TOTAL—NET INTEREST ON DEBT, ETC.— Carried Over . .	77,85,05	2,42,90,13	2,41,02,93	—1,87,20	2,75,24,05	—34,21,12
Carried Over .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02
Brought Forward .	77,85,05	2,42,90,13	2,41,02,93	—1,87,20	, ,24,05	+34,21,12
23/17—Appropriation for Reduction or Avoidance of Debt .	5,00,00	5,00,00	5,00,00	..	5,00,00	..
TOTAL—DEBET SERVICES	82,85,05	2,47,90,13	2,46,02,93	—1,87,20	2,80,24,05	+34,21,12
ADMINISTRATIVE SERVICES—						
24/18.—Parliament and State Legislatures .	..	3,11,68	3,08,97	—2,71	2,88,12	—20,85
25/19.—General Administration . .	19,22,48	18,32,38	18,46,69	+14,31	19,70,61	+1,23,92
26/20.—Audit . .	8,51,13	9,08,86	9,11,01	+2,15	9,70,91	+59,90
27/21.—Administration of Justice . .	54,06	58,69	61,48	+2,79	60,93	—55
28/22.—Jails . .	21,58	22,44	23,49	+1,05	25,56	+2,07
29/23.—Police . .	18,76,41	19,37,34	25,62,10	+6,24,76	33,52,82	+7,90,72
35/29-A/24·—External Affairs . . .	11,91,76	12,97,52	12,70,80	—26,72	15,17,12	+2,46,32
34/...—Tribal Areas .	..	..	..	..	..	..
../25.—Supplies and Disposals . .	..	3,17,53	3,14,93	—2,60	3,21,18	+6,25
../26.—Miscellaneous Departments .	..	3,44,43	3,39,55	—4,88	3,20,97	—18,58
TOTAL—ADMINISTRATIVE SERVICES . .	59,17,42	70,30,87	76,39,02	+6,08,15	88,28,22	+11,89,20
CARRIED OVER .	1,63,18,78	3,40,79,39	3,45,48,93	+4,69,54	3,92,35,27	+46,86,34

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	1,63,18,78	3,40,79,39	3,45,48,93	+4,69,54	3,92,35,27	+46,86,34
SOCIAL AND DEVELOPMENTAL SERVICES—						
36/27.—Scientific Departments . .	23,00,35	31,23,73	26,70,98	—4,52,75	30,14,31	+3,43,33
37/28.—Education .	26,00,65	32,09,69	30,01,22	—2,08,47	30,03,17	+1,95
38/29.—Medical .	6,09,66	6,86,50	6,60,66	—25,84	7,70,01	+1,09,35
39/30.—Public Health .	3,81,30	5,44,68	4,65,66	—79,02	4,85,05	+19,39
40/31.—Agriculture .	7,57,17	9,24,11	8,48,24	—75,87	8,60,83	+12,59
40A/32.—Rural Development . . .	87	98	98	..	95	—3
41/33.—Animal Husbandry . .	1,05,75	1,42,67	1,16,50	—26,17	1,26,58	+10,08
42/34.—Co-operation .	2,26,26	3,47,52	3,41,77	—5,75	3,90,52	+48,75
43.—Industries and Supplies/35—Industries .	48,72,54	48,42,49	51,96,99	+3,54,50	43,35,41	—8,61,58
45/36.—Broadcasting .	4,38,89	5,01,53	4,54,32	—47,21	5,04,09	+49,76
47-A/37.—Community Development Projects, National Extension Service and Local Development Works . . .	1,99,70	2,31,83	2,20,66	—11,17	1,91,94	—28,72
46/38.—Labour and Employment . .	4,79,99	5,94,66	5,41,64	—53,02	6,70,97	+1,29,33
47.—Miscellaneous Departments/39—Miscellaneous Social and Developmental Organisation . .	20,15,17	11,69,20	12,03,85	+34,65	11,80,86	—22,97
43-A/40.—Capital Outlay on Industrial Development met from Revenue . .	1,06	5,00	2,95	—2,05	5,18	+2,23
TOTAL—SOCIAL AND DEVELOPMENTAL SERVICES . . .	1,49,89,36	1,63,24,59	1,57,26,42	—5,98,17	1,55,39,86	—1,86,56
CARRIED OVER .	3,13,08,14	5,04,03,98	5,02,75,35	—1,28,63	5,47,75,13	+44,99,78

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease (—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease (—) as compared with Revised 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	3,13,08,14	5,04,03,98	5,02,75,35	—1,28,63	5,47,75,13	+4,99,78
MULTIPURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES—						
51-B—Other Revenue Expenditure connected with Multi-purpose River Schemes .						
42—Multi-purpose River Schemes . .	69,38	64,27	59,80	—4,47	62,95	+3,15
1743—Irrigation, Navigation, Embankment and Drainage Works Commercial) . ,	..	..	..	..	..	..
1844.—Irrigation, Navigation, Embankment and Drainage Works Non-Commercial) .	13,29	22,44	16,35	—6,09	15,73	—62
52 & 52-A/45—Electricity Schemes .	27,43	70,22	1,60	—68,62	1,16,89	+1,15,29
TOTAL—MULTI-PURPOSE RIVER SCHEMES IRRIGATION AND ELECTRICITY SCHEMES	1,10,10	1,56,93	77,75	—79,18	1,95,57	+1,17,82
PUBLIC WORKS (INCLUDING ROADS) AND SCHEMES OF MISCELLANEOUS PUBLIC IMPROVEMENTS—						
50.—Civil Works/Public Works . . .	19,25,90	21,87,75	23,70,67	+1,82,92	20,93,99	—2,76,68
TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)—						
30/53.—Ports and Pilotage . . .	58,33	41,02	37,91	—3,11	33,57	—4,34
30-A/54.—Mercantile Marine . . .	78,42	82,55	90,41	+7,86	98,65	+8,24
31/55.—Lighthouses & Lightships . .	91,03	97,04	95,87	—1,17	1,10,41	+14,54
44/56.—Aviation . .	3,76,05	3,71,22	3,70,13	—1,09	3,89,00	+18,87
../57.—Road and Water Transport Schemes . . .	..	1,33,03	1,51,36	+18,33	2,07,32	+55,96
../58.—Overseas Communications Service .	..	1,49,94	1,29,64	—20,30	1,39,74	+10,10
TOTAL—TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)	6,03,83	8,74,80	8,75,32	+52	9,78,69	+1,03,37
Carried over . .	3,39,47,97	5,36,23,46	5,35,99,09	—24,37	5,80,43,38	+44,44,29

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease (—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease (—) as compared with Revised 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	3,39,47,97	5,36,23,46	5,35,99,09	—24,37	5,80,43,38	+44,44,29
CURRENCY AND MINT—						
48.—Currency./62—Currency and Coinage .	4,93,79	17,66,82	18,46,82	+80,00	9,14,09	—9,32,73
49/63—Mint . .	6,75,12	2,56,14	2,50,63	—5,51	2,52,27	+1,64
63-A—Kolar Gold Mines	..	..	1,98,06	+1,98,06	5,58,14	+3,60,08
TOTAL—CURRENCY AND MINT . . .	11,68,91	20,22,96	22,95,51	+2,72,55	—17,24,50	—5,71,01
MISCELLANEOUS—						
54.—Famine./64.—Famine Relief . .	6,34	3,08	2,99	—9	3,03	+4
55.—Superannuation Allowances and Pensions /65-Pensions and other Retirement benefits . .	4,72,87	4,97,81	5,25,19	+27,38	5,31,47	+6,28
54-A/66.—Territorial and Political Pensions	22,51	24,76	23,16	—1,60	22,92	—24
54-B/67—Privy Purses and Allowances of Indian Rulers . .	5,28,17	5,23,49	5,15,56	—7,93	5,13,39	—2,17
56/68.—Stationery and Printing . . .	3,73,40	3,50,21	3,77,10	+26,89	3,67,86	—9,24
6.—Opium/69.—Opium	3,73,78	5,31,89	4,54,52	—77,37	3,02,33	—1,52,19
10/70.—Forest . .	3,85,84	4,32,32	4,00,98	—31.34	4,31,16	+30,18
57/71.—Miscellaneous	57,10,25	85,81,16	85,44,62	—36,54	89,26,40	+3,81,78
TOTAL—MISCELLANEOUS	78,73,16	1,09,44 72	1,08,44,12	—1,00,60	1,10,98,56	+2,54,44
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS—						
62-A/73.—Payments of State's share of Union Excise Duties .	80,64,71	1,14,36,37	1,24,91,33	+10,54,96	1,28,06,99	+3,15,66
6 /74.—Grants-in-aid to State Governments .	1,94,98,45	2,13,53,57	2,10,23,88	—3,29,69	2,17,54,76	+7,30,88
62/75.—Miscellaneous Adjustments between Central and State Governments . .	22,96	25,45	26,56	+1,11	25,08	—1,48
62-B/76.—Other Miscellaneous Contributions nd Assignments.	2,79,44	2,81,43	3,08,49	+27,06	3,17,13	+8,64
TOTAL—CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS . .	2,78,65,56	3,30,96,82	3,38,50,26	+7,53,44	3,49,03,96	+10,53,70
Carried over . .	7,08,55,60	9,96,87,96	10,05,88,98	+9,01,02	10,57,70,40	+51,81,42

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	7,08,55,60	9,96,87,96	10,05,88,98	+9,01,02	10,57,70,40	+51,81,42
EXTRAORDINARY ITEMS						
63/77.—Extraordinary Charges .	13,63,21	41,10,37	55,10,47	+14,00,10	46,65,73	—8,44,74
64-C/78—Pre-partition Payments .	15,41	29,91	24,86	—5,05	22,17	—2,69
78-A.—Expenditure connected with the National Emergency		..	9,25,33	+9,25,33	39,30,83	+30,05,50
TOTAL—EXTRAORDINARY ITEMS .	13,78,62	41,40,28	64,60,66	+23,20,38	86,18,73	+21,58,07
DEFENCE SERVICES—						
58/79—Defence Services—Effective—Army .	2,17,96,98	2,38,04,88	3,40,14,43	+102,09,55		
59/80.—Defence Services—Effective—Navy .	20,61,30	20,06,42	20,45,73	+39,31	7,07 19,90	+258,68,17
60/81.—Defence Services—Effective—Air Force .	54,08,26	79,91,56	87,91,57	+8,00,01		
60-A/82—Defence Services—Non-effective .	19,12,36	21,00,50	21,00,50	..	18,90,50	—2,10,00
TOTAL—DEFENCE SERVICES .	3,11,78,90	3,59,03,36	4,69,52,23	+1,10,48,87	7,26,10,40	+256,58,17
POSTS AND TELEGRAPHS—						
20&20-A/90—Posts & Telegraphs—Working Expenses	..	75,30,00	82,99,50	+7,69,50	87,53,80	+4,54,30
Dividend to General Revenues .	4,97,56	5,57,18	5,53,27	—3,91	6,82,37	+1,29,10
Appropriations from P .& T. Surplus .	12,35,72	8,34,82	7,87,23	—47,59	13,14,83	+5,27,60
TOTAL—POSTS AND TELEGRAPHS .	17,33,28	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
RAILWAYS—						
Railway Expenditure as per Railway Budget .	1,12,63,10	5,45,55,26	5,50,39,23	+4,83,97	5,99,95,07	+49,55,84
TOTAL—EXPENDITURE MET FROM REVENUE .	11,64,09,50	20,32,08,86	21,86,81,10	+1,54,72,24	25,77,45,60	+3,90,64,50
EXCESS of REVENUE OVER EXPENDITURE OR SURPLUS .	1,24,85,36	..	..	..	..	..

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate. 1963-64
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Excess of Revenue over Expenditure (from Statement B)	1,24,85,36	..	..	..
Capital Accounts outside Revenue Account—LIV.—Sale Proceeds of American and Lease-Lend Surpluses	—2	..	..	..
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
6½ per cent Gold Bonds, 1977 . .	..	..	7,00,00	1,00,00
Other New Loans . .	2,52,55,24	2,55,00,00	3,29,87,00	3,93,00,00
Annuity Certificates . .	50,23	70,00	50,00	50,00
Five-year Interest-free Prize Bonds, 1965 . .	3,46,65	5,00,00	1,08,00	..
Premium Prize Bonds, 1963 . .	..	..	3,92,00	6,00,00
TOTAL—PERMANENT DEBT .	2,56,52,12	2,60,70,00	3,42,37,00	4,00,50,00
II.—FLOATING DEBT—				
Treasury Bills . . .	44,01,81,25	48,94,20,00	50,78,45,75	55,57,00,00
Other Items . . .	3,45,00	3,45,00	3,45,00	3,45,00
TOTAL—FLOATING DEBT . .	44,05,26,25	48,97,65,00	50,81,90,75	55,60,45,00
B.—*Debt raised outside India* . .	3,14,32,69	4,55,00,00	3,76,50,14	4,62,43,00
TOTAL—PUBLIC DEBT .	49,76,11,06	56,13,35,00	58,00,77,89	64,23,38,00
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	1,33,91,34	1,63,19,70	1,70,99,44	1,94,86,99
Other Loans and Advances .	66,91,88	54,56,50	42,41,47	53,62,36
TOTAL—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT .	2,00,83,22	2,17,76,20	2,13,40,91	2,48,49,35
INTER-STATE SETTLEMENT .	3	..	1,75,91	..
TOTAL—I.—CONSOLIDATED FUND OF INDIA—RECEIPTS .	53,01,79,65	58,31,11,20	60,15,94,71	66,71,87,35

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA.—*contd.*				
Excess of Expenditure over Revenue (from Statement A)	..	72,08	22,05,73	77,41
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
Security Printing Press	22,22	41,66	35,25	18,58
Improvement of Public Health	29,86	64,00	48,50	42,66
Agricultural Improvement and Research	5,22,86	6,25,20	4,46,39	2,94,54
Industrial Development	1,01,67,80	1,76,52,42	1,79,67,57	2,24,00,38
Broadcasting	1,11,59	1,40,00	1,51,51	1,75,00
Multi-purpose River Schemes	1,99,32	10,03,41	4,06,97	10,28,65
Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	7,05	34,50	51,37	39,86
Electricity Schemes	58,76	93,74	71,43	74,33
Civil Works/Public Works	36,70,39	57,02,00	55,70,79	68,11,21
Delhi Capital Outlay	4,92,85	8,25,00	7,81,00	7,38,00
Dandakaranya Development Scheme	4,47,27	3,91,00	4,75,00	3,46,00
Capital Outlay on Other Works	5,07,54	7,46,67	5,10,79	5,92,67
Ports	1,47,15	2,87,12	2,38,28	5,95,60
Lighthouses and Lightships	..	89,20	32,05	20,45
Civil Aviation/Aviation	3,01,40	4,09,38	3,15,12	3,65,95
Capital outlay on Rail Road Co-ordination Schemes	2,00	3,50	5,26	3,00
Road and Water Transport Schemes	42,08	41,36	1,16,46	1,29,00
Overseas Communications Service	..	48,16	46,79	39,92
Capital Outlay on Shipping, Tankers etc.	17,76	1,87,50	1,23,88	1,33,22
Currency and Coinage	6,66,81	6,73,57	13,37,69	11,54,44
Mints	3,38	6,47	6,30	18,52
Capital outlay on Kolar Gold Mines	..	..	21,72	3,35,00
Forests	8,53	14,31	11,28	9,93
Payments of Commuted Value of Pensions	—26,59	1,39,59	9,96	14,26
Capital Outlay on Sterling Pensions	—3,66,20	—3,69,86	—3,69,86	—3,73,56
Payments to Retrenched Personnel	..	..	..	..
Schemes of Government Trading	2,23,96	28,68,78	12,65,64	49,69,28
Grants for Development	10,98,95	21,40,24	19,37,19	18,54,60
Compensation and Rehabilitation Grants to Displaced Persons	—1,93,23	—80,19	—4,44,69	—4,34,95
Transfer of Development Assistance from the Government of U.S.A.	58,85,88	63,28,35	83,31,11	61,55,32
Capital Outlay on Payments under Indus Waters Treaty	7,73,70	7,17,10	7,17,00	6,63,17
Defence Capital Outlay	22,94,86	32,63,00	52,75,37	1,58,72,00
Railway Capital (as shown in Railway Budget)	1,44,90,34	1,96,50,00	2,03,00,00	2,18,50,00
Posts and Telegraphs	11,24,97	15,08,01	14,91,50	28,00,00
TOTAL—CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT	4,36,33,26	6,52,45,19	6,72,84,62	8,87,37,03
Carried Over	4,36,33,26	6,53,17,27	6,94,90,35	8,88,14,44

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Brought Forward	4,36,33,26	6,53,17,27	6,94,90,35	8,88,14,44
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—Permanent Debt—				
Annuity Certificates	26,50	30,00	25,00	30,00
Other Items	1,37,61,88	1,82,55,00	1, 3,00,00	1,80,00,00
TOTAL—PERMANENT DEBT	1,37,88,38	1,82,85,00	1, 3,25,00	1,80,30,00
II.—Floating Debt—				
Treasury Bills	43,33,12,75	48,05,20,00	48,38,45,75	54,06,00,000
Other Items	..	3,42,86	..	3,42,86
TOTAL—FLOATING DEBT	43,33,12,75	48,08,62,86	48,38,45,75	54,09,42,86
B.—Debt raised outside India	65,61,60	44,77,59	47,46,37	51,26,67
TOTAL—PUBLIC DEBT	45,36,62,73	50,36,25,45	50,69,17,12	56,40,99,53
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments	4,43,46,53	4,40,35,21	5,00,20,60	5,29,14,10
Other Loans and Advances	1,44,74,48	1,21,03,93	1,31,87,05	1,67,84,21
TOTAL—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	5,88,21,01	5,61,39,14	6,32,07,65	6,96,98,31
INTER-STATE SETTLEMENT	1,79,16	12	12	90,41
TOTAL.—I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS	55,62,96,16	62,50,81,98	63,96,15,24	72,27,02,69

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	75	..	..	..
TOTAL—II.—CONTINGENCY FUND OF INDIA—RECEIPTS .	75	..	..	..
DISBURSEMENTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Expenditure out of advances from the Contingency Fund of India . .	4	..	..	..
TOTAL—II.—CONTINGENCY FUND OF INDIA—DISBURSEMENTS	4	..	..	..

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	2,17	2,20	2,10	2,04
Post Office Savings Bank Deposits	2,51,54,65	2,70,00,00	2,55,00,00	2,67,00,00
Compulsory Deposits	..	..	..	40,00,00
10-Year Treasury Savings Deposit Certificates	16,72,67	21,60,00	7,32,00	..
10-Year Defence Deposit Certificates	..	..	12,00,00	23,20,00
12-Year National Plan Savings Certificates	79,80,70	90,00,00	42,20,00	..
12-Year National Defence Certificates	..	..	45,70,00	90,00,00
Cumulative Time Deposits	3,33,82	4,65,00	6,25,00	9,30,00
Post Office Cash Certificates	—31	..	..	..
National Savings Certificates	—3,42	..	..	..
10-Year National Plan Certificates	—2	..	..	..
State Provident Funds	73,42,78	70,83,40	78,82,24	80,30,37
Investment of Deposits of U.S. Government Counterpart Funds (Net)	54,13,00	90,00,00	60,00,00	90,00,00
Other Accounts	3,23,57	3,42,81	3,35,28	3,43,53
TOTAL—UNFUNDED DEBT	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	69,63,06	71,04,36	71,18,00	84,53,66
Railway Development Fund as per Railway Budget	25,23,53	23,22,86	23,56,04	31,50,23
P & T. Renewals Reserve Fund	13,25,99	9,47,54	9,13,97	14,73,94
P. & T. Development Fund, P. & T. Revenue Reserve Fund and Telephone Development Fund	1,35,07	90,00	1,65,08	1,30,08
Other Revenue Funds	19,82	74,00	93,11	1,10,90
(*b*) *Non-Interest bearing*—				
Other Reserve Funds	59,81	53,16	55,63	66,70
Appropriation for Reduction or Avoidance of Debt	5,00,00	5,00,00	5,00,00	5,00,00
Carried Over	1,15,27,28	1,10,91,92	1,12,01,83	1,38,85,51
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward . . .	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94
Brought Forward . . .	1,15,27,28	1,10,91,92	1,12,01,83	1,38,85,51
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Shipping Development Fund .	7,29,71	5,10,86	5,83,30	5,38,84
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	1,76,77	15,00	22,73	22,00
Deposits towards Payment of Estate Duty . . .	22	..	..	..
Deposits of Trusts for Indian Princes	4,57	4,39	4,39	4,22
Other Deposits	7,87,46	3,88,61	3,90,12	3,74,62
(*b*) *Non-Interest bearing*				
Silver Redemption Reserve .	—6,38,47	..	..	..
Central Road Fund . . .	4,00,00	4,10,00	4,10,00	4,10,00
Fund for the Benefit of Cotton-growers	41,62	30,00	30,00	35,00
Carried Over	1,30,29,16	1,24,50,78	1,26,42,37	1,52,68,19
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94
Brought Forward	1,30,29,16	1,24,50,78	1,26,42,37	1,52,68,19
Special Development Fund—				
Fund from the sale proceeds of American L an Wheat . .	12,62,77	12,61,02	12,95,97	11,48,15
Fund from the sale proceeds of Wheat received under the Colombo-Plan	4,24,5	1,57,09	2,03,77	1,33,13
Fund from other Assistance under the Colombo Plan .	8,95,86	4,46,35	5,44,87	6,50,30
Fund from Assistance under the Indo-U.S. Technical Cooperation Agreement . . .	8,26,29	10,67,55	6,70,75	3,50,96
Fund from the sale proceeds of American Loan Commodities .	6,17,61	3,28,35	3,32,71	1,57,73
Fund from Assistance from Norway for Fisheries Community Development	19,58	30,00	30,00	20,00
Assistance under P.L. 480 .	65,68,53	1,00,00,00	1,34,00,00	1,05,00,00
Coal Mines Labour Housing and General Welfare Fund .	2,89,91	2,50,00	2,50,00	2,75,00
Iron-Ore Mines Labour Welfare Fund	..	25,00	1,00	25,00
Mica Mines Labour Welfare Fund	24,63	25,00	25,00	25,00
Cotton Textiles Fund . .	41	..	..	..
Iron and Steel Equalisation Fund	25,45,30	24,50,00	30,00,00	18,30,00
Post Office Certificates and Cumulative Time Deposits Bonus Fund	8,87,20	10,27,09	13,55,81	13,33,62
Deposits of Local Funds . .	12,69,95	13,11,91	11,23,42	10,96,66
Civil Deposits	2,27,53,08	1,89,48,72	2,46,62,92	2,37,35,06
Other Deposits	60,71,29	74,99,20	71,40,44	80,04,57
Carried Over	6,74,86,13	5,72,78,06	6,66,78,63	6,45,08,37
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*Contd.*				
Brought Forward	4,82,19,61	5,50,53,41	5,10,66,62	6,03,25,94
Brought Forward	5,74,86,13	5,72,78,06	6,66,78,63	6,45,08,37
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge	—14,34	5,55	75	62
Deposits account of the assistance given by the Ford Foundation	1,16,74	1,50,00	12,39	9
National Defence Fund	..	..	48,00,00	20,00,00
Other Accounts	1,57,21	1,21,20	1,15,85	1,19,58
Emergency Risks (Goods and Factories) Insurance Funds	..	..	9,00,00	33,00,00
Accounts with the Government of Burma	2,72	..	7	7
Accounts with the Reserve Bank	1,11	1,80,95	2,15,93	2,15,92
Other Advances	1,40,57,44	1,44,10,33	1,45,36,94	2,23,28,99
Value of One-rupee Notes issued	5,00,00	5,00,00	5,00,00	5,00,00
Cash Balance Investment Account (net)	20,83	39,85	..	..
Profits on Coinage	..	..	..	..
Discount Sinking Fund	..	2,04,31	2,02,94	1,89,44
Other Suspense Accounts (net)	..	64,38,67	25,95,30	65,97,68
Cheques and Bills (net)	9,74,00	9,37,55	..	..
Departmental and Similar Accounts (net)	12,49,26	..	..	53,66
Miscellaneous	26,23,89	3,23	49,70	1,23
TOTAL—DEPOSITS AND ADVANCES	7,71,74,99	8,02,69,70	9,06,08,50	9,98,27,95
Carried Over	12,53,94,60	13,53,23,11	14,16,75,12	16,01,53,89

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward	12,53,94,60	13,53,23,11	14,16,75,12	16,01,53,89
REMITTANCE—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders	3,41,91,68	3,50,00,00	3,60,00,000	3,65,00,00
Other Remittances	10,07,16	20,00	—35,38	—60,79
Accounts between Civil and Other Departments—				
Exchange Accounts between Civil and Defence Services	2,92,60,60	—4,50,00	—4,50,00	..
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India	2,08,46,53	1,37,11,45	1,83,44,91	1,26,43,26
TOTAL—REMITTANCES	8,53,05,97	4,82,81,45	5,38,59,53	4,90,82,47
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,67,61,78	1,00,76,11	68,27,39	80,08,62
RESERVE BANK DEPOSITS—				
RAILWAYS	—1,39,85,48	—1,66,52,39	—1,80,15,95	—1,71,32,86
Post and Telegraphs	72,21,57	56,20,49	58,79,82	68,98,81
Defence Services	..	—3,71,73,58	—4,89,31,10	—8,56,62,43
TOTAL III—PUBLIC ACCOUNT—RECEIPTS	22,06,98,44	14,54,75,19	14,12,94,81	12,13,48,50
TOTAL—(I+II+III)	75,08,78,84	72,85,86,39	74,28,89,52	78,85,35,85
OPENING BALANCE	45,21,54	49,92,34	49,39,87	50,62,05
GRAND TOTAL	73,54,00,38	73,35,78,73	74,78,29,39	79,35,97,90

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
UNFUNDED DEBT—				
Deposit of Service Funds	2,87	2,90	3,66	3,38
Post Office Savings Bank Deposits	2,15,05,17	2,30,50,00	2,33,50,00	2,34,00,00
10-Year Treasury Savings Deposits Certificates	11,91,08	7,60,00	7,02,00	7,58,00
10-Year Defence Deposit Certificates	..	..	..	20,00
12-Year National Plan Savings Certificates	18,58,28	25,00,00	22,71,00	21,80,00
12-Year National Defence Certificates	..	..	..	5,00,00
Cumulative Time Deposits	10,06	15,00	25,00	30,00
Post Office Cash Certificates	43,08	37,00	30,00	24,00
Defence Savings Certificates	74	1,00	2,00	1,00
National Savings Certificates	16,85,89	16,84,00	18,85,00	14,66,00
10-Year National Plan Certificates	92,62	1,18,00	1,07,00	91,00
State Provident Funds	34,32,07	33,38,03	35,36,85	34,73,71
Special Loans	6,11	63	2,55	7,55
Other Accounts	2,13,40	2,31,33	2,07,01	2,04,63
TOTAL—UNFUNDED DEBT	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	58,23,52	63,00,00	70,00,00	68,00,00
Railway Development Fund as per Railway Budget	51,06,88	23,00,00	22,97,28	26,00,00
P. & T. Renewals Reserve Fund	1,15,27	2,20,00	2,11,00	1,50,00
P. & T. Development Fund, P. & T. Revenue Reserve Fund and Telephone Development Fund	44,42	60,00	60,00	50,00
Other Reserve Funds	95,74	34,63	83,11	1,09,19
(*b*) *Non-interest bearing*—				
Other Reserve Funds	25,77	49,87	33,94	38,52
OTHER DEPOSITS AND ADVANCES—				
(*a*) *Interest-bearing*—				
Shipping Development Fund	4,21,08	12,87,41	2,42,62	7,21,88
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	1,67,27	27,60	47,16	24,14
Other Deposits	5,96,69	2,89,35	2,78,66	2,09,69
Carried Over	1,23,96,64	1,05,68,86	1,02,53,77	1,07,03,42
Carried Over	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
Brought Forward	1,23,96,64	1,05,68,86	1,02,53,77	1,07,03,42
Deposits under Section 10 (2B) of the Indian Income Tax Act . .	..	20	20	26
Deposits of Trusts for Indian Princes .	22,11	22,11	22,11	22,11
(*b*) *Non-interest bearing*—				
Central Road Fund	4,26,19	5,90,92	4,00,00	2,00,00
Fund for the Benefit of Cotton-growers	28,71	59,00	52,00	60,00
Cotton Textiles Fund . . .	11,95	14,49	14,54	14,93
Fund for the Protection of Sugar Industry	17,39	10,40	10,37	1,62
Fund for the Relief of Linseed Cultivators	..	..	1	..
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat	8,63,65	12,61,02	22,52,63	11,48,15
Fund from the sale proceeds of Wheat received under the Colombo Plan .	44	..	..	..
Fund from other Assistance under the Colombo Plan . . .	87,44	52,07	33,11	67,85
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	26,93,23	7,77,89	7,99,90	4,50,88
Fund from the sale proceeds of American loan commodities .	2,53,05	1,44,19	..	..
Fund from Assistance from Norway for Fisheries Community Development	19,58	30,00	30,00	20,00
Assistance under P.L. 480 . .	15,44,64	13,62,14	15,77,59	7,70,33
Coal Mines Labour Housing and General Welfare Fund . . .	1,76,59	2,68,93	2,23,04	2,34,27
Iron-Ore Mines Labour Welfare Fund	..	10,00	5	7,000
Mica Mines Labour Welfare Fund .	27,42	34,00	30,51	31,13
Iron and Steel Equalisation Fund . .	12,69,00	14,51,31	23,14,50	2,65,64
Post Office Certificates and Cummulative Time Deposits Bonus Fund	32,40	41,91	72,18	1,65,65
Deposits of Local Funds . . .	12,87,18	12,87,91	11,52,99	11,28,39
Civil Deposits	2,27,34,51	1,87,48,80	2,45,65,77	2,33,02,72
Other Deposits	66,45,13	76,60,92	69,04,39	10,40,09
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge . . .	16,70	22,58	14,54	15,16
Carried Over	5,05,53,95	4,44,19,65	5,07,24,20	4,72,49,60
Carried over . . .	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*concld.*

(In thousands of Rupees)

Disbursements	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—PUBLIC ACCOUNT—*concld.*				
Brought Forward	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
Brought Forward	5,05,53,95	4,44,19,65	5,07,24,20	4,72,49,60
Deposit account of the assistance given by the Ford Foundation	70,90	80,19	59,60	36,41
National Defence Fund	..	..	75,00	25,00
Other Accounts	1,65,57	1,20,06	1,20,94	1,16,73
Emergency Risks (Goods and Factories) Insurance Funds	..	..	2,00	6,00
Accounts with the Government of Burma	23	3	37	37
Accounts with the Reserve Bank	28,64	1,75,14	2,18,25	2,18,25
Other Advances	1,41,36,58	1,54,44,09	1,62,57,10	2,20,66,99
Cash Balance investment Account (net)	..	..	21,64,12	13,92,52
Profits on Coinage	..	15,00,00	15,00,00	15,00,00
Discount Sinking Fund	73,97	..	1,38,27	..
Value of one rupees Notes issued	3,85	..	..	..
Other Suspense Accounts(net)	9,17,24	..	..	..
Cheques and Bills (net)	..	..	7,09,65	8,11,71
Departmental and Similar Accounts (net)	..	23,40	51,53	..
Miscellaneous	3,58,99	4,96	3,38,93	3,05
TOTAL—DEPOSITS AND ADVANCES	6,63,09,92	6,17,67,52	7,23,59,96	7,34,26,63
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders	3,42,62,26	3,49,00,00	3,50,00,00	3,55,00,00
Other Remittances	9,36,81	25,00	15,00	2,00
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Defence Services	2,92,55,33	—4,50,00	—4,50,00	..
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India	2,33,58,78	1,37,11,45	1,83,44,91	1,26,43,26
TOTAL—REMITTANCES	8,78,13,18	4,81,86,45	5,29,09,91	4,81,45,26
TRANSFER OF CASE BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,67,63,75	1,00,76,11	68,27,39	80,08,62
RESERVE BANK DEPOSITS—				
RAILWAYS	—1,39,85,48	—1,66,52,39	—1,80,15,95	—1,71,32,86
POST AND TELEGRAPHS	72,21,57	56,20,49	58,79,82	68,98,81
DEFENCE SERVICES	..	—3,71,73,58	—4,89,31,10	—8,56,62,43
TOTAL III—PUBLIC ACCOUNT—DISBURSEMENTS	19,41,64,31	10,35,62,49	10,31,52,10	6,58,38,30
TOTAL—(I+II+III)	75,04,60,51	72,86,44,47	74,27,67,34	78,85,40,99
Closing Balance	49,39,87	49,34,26	50,62,05	50,56,91
GRAND TOTAL	75,54,00,38	73,35,78,73	74,78,29,39	79,35,97,90

NOTE

Under Article 113(2) of the Constitution, the estimates of expenditure to be met from the Consolidated Fund of India, other than expenditure "Charged" upon the Fund, are to be submitted in the form of Demands for Grants for obtaining the vote of the Lok Sabha. Rule 206 of the Rules of Procedure and Conduct of Business in Lok Sabha, 1957 lays down that, subject to the discretion of the Minister of Finance, a separate Demand shall ordinarily be made for each Ministry of the Government and that each Demand shall contain, first, a statement of the total grant proposed and then a statement of the detailed estimates under each grant divided into items.

2. The Demands for Grants were hitherto presented in four parts, *viz.*, Part I, which gave the name of the Service and the amount of the provision included in the Demand for voted and charged items of expenditure separately; Part II, which gave the distribution of sub-heads under which the total amount included in the Demand would be accounted for: Part III, which repeated the distribution of the provision included in Part II but indicated—

(i) the circle of account in which the expenditure is adjustable;

(ii) further break-up of the provision under each sub-head into primary units and other details; and

(iii) distribution of the provision by Plan and non-Plan items;

and Part IV which gave the circle-wise distribution of the recoveries adjusted, in accounts, in reduction of expenditure.

3. With the enormous growth in Governmental expenditure, as a result of the impact of successive development plans, the size of the Demands for Grants has increased greatly in recent years. The decision to indicate from 1960-61 onwards separate details of both Plan and non-Plan expenditure has also led to a good deal of duplication. The total number of pages of Demands for Grants, which was a little over 300 in 1950-51 was over 4,000 for 1962-63. It has, therefore, been decided after consultation with the Comptroller and Auditor General of India and the Estimates Committee to rationalise the form and content of the Demands for Grants and to reduce their size. The changes made are explained in the following paragraph.

4. The Circle-wise distribution indicated in Parts III and IV of the Demands for Grants represents the provision according to the circle of account in which the expenditure is booked. This distribution is chiefly of interest to the accounting and administrative authorities responsible for controlling the Grants. Often, Circle-wise distribution does not represent the area in which the expenditure is incurred. For instance, provision for expenditure on Survey of India, Geological Survey, Supply, Rehabilitation, Food, Stationery and Printing, etc., is centralised in the books of separate Accounts Officers for administrative convenience regardless of the area to which it relates. Besides, a substantial portion of the provision almost in every Demand is included in the Circle of the Accountant General, Central Revenues, which is later distributed over the other Circles. Under the existing arrangements, consolidated totals of all

the details given in Parts III and IV for the Grant as a whole are also not available. It has accordingly been agreed to delete Parts III and IV of the Demands for Grants with effect from next year. These would, however, be compiled for Departmental use and copies would also be kept in the library of Parliament.

5. The Demands for Grants have, instead, been supported by two new schedules. The first gives the details of Plan provisions included in each Demand with figures relating to individual schemes and their general break-up, wherever available. The other gives information about the total number of staff employed under different categories and the provision included therefor in each Demand both for the current as well as for the budget year. In addition, the Notes on the Demands for Grants are being amplified to give broad details of important items of non-Plan expenditure included in each Demand.

6. The details of all major works costing more than Rs. 20,000 individually, for which provision is included in the Estimates, were hitherto given in Annexures appended to the concerned Demands for Grants. In the context of the all-round increase in the activities of Government in recent years, the limit of Rs. 20,000 led to a large increase in the volume of the supporting Annexures. It has, therefore, been decided in consultation with the Comptroller and Auditor General, that, with effect from the next year, the supporting Annexures to the Demands for Grants may include details of individual works costing Rs. 5 lakhs or more only; the provisions relating to works costing less than Rs. 5 lakhs being shown in lump.

7. The Demands for Grants have been arranged by Ministries on whose behalf they are presented and have been included in separate Volumes for each Ministry. At the commencement of the Demands relating to a Ministry a statement has been added where necessary, giving, for facility of reference, the total expenditure controlled by the Ministry and expenditure included in the various Demands presented on its behalf. The estimates of expenditure "Charged" upon the Consolidated Fund of India and which, in accordance with Article 113(1) of the Constitution, are not submitted to the vote of Lok Sabha have also been indicated in italics in the respective Demands. The estimated recoveries of expenditure, if any, have been indicated in a 'Note' below each Demand for Grant. Since these are excluded from the Demands they are not available for spending by the controlling authorities. A Summary of the Demands for Grants and Charged Appropriations is given in this Volume so as to bring all the Demands in one place.

8. The accounts for 1961-62 have not yet been closed. The figures of actuals for that year shown in the Demands are therefore provisional.

SUMMARY OF DEMANDS FOR GRANTS, 1963-64

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimate, 1962-63 (3)	Revised Estimate, 1962-63 (4)	Budget Estimate 1963-64 (5)
	I.—EXPENDITURE MET FROM REVENUE.			
	Ministry of Commerce and Industry			
1	Ministry of Commerce and Industry. Voted .	78,69	82,22	76,46
2	Industries. Voted .	20,75,45	19,31,79	21,67,89
3	Salt Voted .	86,62	82,47	62,46
4	Commercial Intelligence and Statistics Voted.	93,90	90,80	94,76
5	Other Revenue Expenditure of the Ministry of Commerce and Industry. Voted .	3,45,59	2,65,48	3,70,87
	Charged	*5*	*5*	*5*
	TOTAL	3,45,64	2,65,53	3,70,92
	Ministry of Community Development and Co-operation			
6	Ministry of Community Development and Co-operation. Voted.	32,28	30,27	29,32
7	Community Development Projects, National Extension Service and Co-operation Voted	3,76,43	3,62,75	3,95,48
	Ministry of Defence			
8	Ministry of Defence Voted .	46,75	49,00	54,13
9	Defence Services, Effective— Voted[1].	3,45,67,31	4,58,17,34	7,23,46,65
	Charged	*11,00*	*11,30*	*11,00*
	TOTAL .	3,45,78,31	4,58,28,64	7,23,57,65
	TOTAL—CARRIED OVER Voted .	3,77,03,02	4,87,12,12	7,55,98,02
	Charged	*11,05*	*11,35*	*11,05*
	TOTAL .	3,77,14,07	4,87,23,47	7,56,09,07

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimate, 1962-63 (3)	Revised Estimate, 1962-63 (4)	Budget Estimate, 1963-64 (5)
	TOTAL—BROUGHT FORWARD Voted .	3,77,03,02	4,87,12,12	7,55,98,02
	Charged	*11,05*	*11,35*	*11,05*
	TOTAL .	3,77,14,07	4,87,23,47	7,56,09,07
10	Defence Services—Non-effective Voted .	21,00,00	21,00,00	18,90,00
	Charged	*50*	*50*	*50*
	TOTAL .	21,00,50	21,00,50	18,90,50
	Ministry of Economic and Defence Co-ordination			
11	Ministry of Economic and Defence Co-ordination Voted .	..	..	16,81
12	Supplies and Disposals Voted .	3,17,76	3,15,36	3,21,61
13	Other Revenue Expenditure of the Ministry of Economic and Defence Co-oprnation Voted .	..	..	56,89
	Ministry of Education			
14	Ministry of Education Voted .	46,54	44,23	44,08
15	Education Voted .	17,94,24	16,25,23	16,85,00
16	Other Revenue Expenditure of the Ministry of Education. Voted .	2,95,33	2,38,96	2,47,08
	Ministry of External Affairs			
17	Tribal Areas Voted .	10,88,65	12,13,65	13,69,13
18	Naga Hills—Tuensang Area Voted .	4,22,42	4,22,42	6,05,33
19	External Affairs Voted .	14,65,55	14,36,54	16,87,80
20	State of Pondicherry Voted .	4,45,18	3,95,25	3,76,67
	Charged	*14*	..	..
	TOTAL	4,45,32	3,95,25	3,76,67
21	Dadra and Nagar Haveli Area. Voted .	26,33	13,69	14,07
22	Goa, Daman and Diu Voted	5,27,71	5,77,71	7,07,41
	TOTAL—CARRIED OVER Voted .	4,62,32,73	5,70,95,16	8,46,19,90
	Charged	*11,69*	*11,85*	*11,55*
	TOTAL .	4,62,44,42	5,71,07,01	8,46,31,45

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL BROUGHT FORWARD— Voted	4,62,32,73	5,70,95,16	8,46,19,90
	Charged	*11,69*	*11,85*	*11,55*
	TOTAL	4,62,44,42	5,71,07,01	8,46,31,45
23	Other Revenue Expenditure of the Ministry of External Affairs . Voted	4,80,24	3,04,63	4,82,71
	Ministry of Finance			
24	Ministry of Finance . Voted	1,80,32	1,81,37	1,87,38
	Charged	..	*13*	..
	TOTAL	1,80,32	1,81,50	1,87,38
25	Customs . Voted	4,00,88	4,00,88	4,17,63
	Charged	*46*	*46*	*50*
	TOTAL	4,01,34	4,01,34	4,18,13
26	Union Excise Duties . Voted	9,82,16	10,14,09	10,53,34
	Charged	*44*	*44*	*58*
	TOTAL	9,82,60	10,14,53	10,53,92
27	Taxes on Income including Corporation tax, etc, Voted	6,22,34	6,51,91	6,88,31
	Charged	*1,42*	*1,42*	*1,45*
	TOTAL	6,23,76	6,53,33	6,89,76
28	Stamps . Voted	2,74,81	2,74,81	3,04,54
29	Audit Voted	12,42,88	12,42,88	13,11,09
	Charged	*23,12*	*22,00*	*22,19*
	TOTAL	12,66,00	12,64,88	13,33,28
30	Currency and Coinage Voted	17,83,75	18,63,75	9,31,16
31	Mint Voted	2,56,39	2,50,88	2,52,52
32	Kolar Gold Mines Voted	..	1,98,06	5,58,14
33	Pensions and Other Retirement benefits Voted	4,99,98	5,34,98	5,32,48
	Charged	*14,99*	*14,99*	*16,30*
	TOTAL	5,14,97	5,49,97	5,48,78
34	Territorial and Political Pensions Voted	24,76	23,16	22,92
35	Opium Voted	5,31,89	4,54,52	3,02,33
	TOTAL—CARRIED OVER Voted	5,35,13,13	6,44,91,08	9,16,64,45
	Charged	*52,12*	*51,29*	*52,57*
	TOTAL	5,35,65,25	6,45,42,37	9,17,17,02

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)		Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
TOTAL—BROUGHT FORWARD		Voted	5,35,13,13	6,44,91,08	9,16,64,45
		Charged	*52,12*	*51,29*	*52,57*
		TOTAL	5,35,65,25	6,45,42,37	9,17,17,02
36	Other Revenue Expenditure of the Ministry of Finance	Voted	52,86,94	70,79,63	88,23,67
37	Planning Commission	Voted	95,23	92,52	95,23
38	Grants-in-aid to States	Voted	1,55,88,05	1,50,98,28	1,53,37,13
		Charged	*68,42,89*	*68,42,89*	*68,43,00*
		TOTAL	2,24,30,94	2,19,41,17	2,21,80,13
39	Miscellaneous Adjustments between the Central and State Governments.	Voted	25,45	26,56	25,08
40	Pre-partition Payments	Voted	11,55	11,05	9,53
		Charged	*18,36*	*13,81*	*12,64*
		TOTAL	29,91	24,86	22,17
	Interest on Debt and Other Obligations and Reduction or Avoidance of Debts	*Charged*	*2,47,90,13*	*2,46,02,93*	*2,80,24,05*
	Payments of States' Share of Union Excise Duties	*Charged*	*1,14,36,37*	*1,24,91,33*	*1,28,06,99*
	Ministry of Food and Agriculture				
41	Ministry of Food and Agriculture	Voted	82,08	79,94	82,36
42	Agriculture	Voted	3,73,46	3,52,10	3,19,82
TOTAL—CARRIED OVER		Voted	7,49,75,89	8,72,31,16	11,63,57,27
		Charged	*4,31,39,87*	*4,40,02,25*	*4,77,39,25*
		TOTAL	11,81,15,76	13,12,33,41	16,40,96,52

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL—BROUGHT FORWARD Voted	7,49,75,89	8,72,31,16	11,63,57,27
	Charged	*4,31,39,87*	*4,40,02,25*	*4,77,39,25*
	TOTAL	11,81,15,76	13,12,33,41	16,40,96,52
43	Agricultural Research Voted	5,42,69	4,93,88	5,17,20
44	Animal Husbandry Voted	1,10,28	91,44	96,77
45	Forest Voted	90,07	86,35	1,06,52
46	Other Revenue Expenditure of the Ministry of Food and Agriculture Voted	21,01,39	29,96,93	31,79,59
	Charged	*8,87*	*8,86*	*11,64*
	TOTAL	21,10,26	30,05,79	31,91,23
	Ministry of Health			
47	Ministry of Health Voted	18,29	18,29	19,34
48	Medical and Public Health Voted	9,89,71	9,18,38	10,25,14
49	Other Revenue Expenditure of the Ministry of Health Voted	1,16,13	94,53	67,43
	Ministry of Home Affairs			
50	Ministry of Home Affairs Voted	3,87,03	4,01,21	4,44,09
51	Cabinet Voted	39,30	49,32	45,48
52	Zonal Councils Voted	2,35	2,41	2,42
53	Administration of Justice Voted	2,80	2,99	3,02
	Charged	*21,36*	*21,33*	*20,88*
	TOTAL	24,16	24,32	23,90
54	Police Voted	7,11,60	11,78,08	16,16,09
55	Census Voted	93,67	1,58,32	93,50
56	Statistics Voted	2,08,53	2,06,46	1,90,71
57	Privy Purses and Allowances of Indian Rulers Voted	5,49	5,75	5,36
	Charged	*5,18,00*	*5,09,81*	*5,08,03*
	TOTAL	5,23,49	5,15,56	5,13,39
	TOTAL—CARRIED OVER Voted	8,03,95,22	9,39,35,50	12,37,69,93
	Charged	*4,36,88,10*	*4,45,42,25*	*4,82,79,80*
	TOTAL	12,40,83,32	13,84,77,75	17,20,49,73

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)		Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL—BROUGHT FORWARD	Voted	8,03,95,22	9,39,35,50	12,37,69,93
		Charged	*4,36,88,10*	*4,45,42,25*	*4,82,79,80*
		TOTAL	12,40,83,32	13,84,77,75	17,20,49,73
58	Delhi	Voted	16,06,26	16,60,91	18,78,29
		Charged	*10*	*1,16*	*35*
		TOTAL	16,06,36	16,62,07	18,78,64
59	Himachal Pradesh	Voted	11,53,89	11,06,06	11,04,51
60	Andaman and Nicobar Islands	Voted	3,10,63	2,99,14	2,95,34
61	Manipur	Voted	4,68,80	4,53,51	4,52,14
62	Tripura	Voted	7,33,14	7,28,89	8,29,95
63	Laccadive, Minicoy and Amindivi Islands	Voted	34,91	25,33	27,45
64	Other Revenue Expenditure of the Ministry of Home Affairs	Voted	1,11,33	1,08,43	3,14,82
	Ministry of Information and Broadcasting				
65	Ministry of Information and Broadcasting	Voted	16,17	16,92	17,58
		Charged	..	*4*	..
		TOTAL	16,17	16,96	17,58
66	Broadcasting	Voted	5,70,53	4,91,92	5,61,88
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting	Voted	4,19,35	4,00,54	3,96,62
	TOTAL—CARRIED OVER	Voted	8,58,20,23	9,92,27,15	12,96,48,51
		Charged	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
		TOTAL	12,95,08,43	14,37,70,60	17,79,28,66

(Amount in thousands of Rupees)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1962-63	Revised Estimates, 1962-63	Budget Estimates, 1963-64
(1)	(2)	(3)	(4)	(5)
	TOTAL—BROUGHT FORWARD :			
	Voted .	8,58,20,23	9,92,27,15	12,96,48,51
	Charged .	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
	TOTAL .	12,95,08,43	14,37,70,60	17,79,28,66
	Ministry of Irrigation and Power			
68	Ministry of Irrigation and Power Voted .	27,44	28,63	27,21
69	Multipurpose River Schemes. Voted .	1,22,62	1,33,89	1,19,13
70	Other Revenue Expenditure of the Ministry of Irrigation and Power Voted .	3,31,91	3,31,91	5,47,32
	Ministry of Labour and Employment			
71	Ministry of Labour and Employment Voted .	27,73	25,68	27,10
72	Chief Inspector of Mines Voted .	24,43	23,96	27,99
73	Labour and Employment Voted .	8,53,59	7,25,35	8,23,16
74	Other Revenue Expenditure of the Ministry of Labour and Employment. Voted .	1,08	16,93	2,05,88
	Ministry of Law			
75	Ministry of Law Voted .	45,30	37,65	40,64
76	Elections. Voted .	1,68,31	1,68,31	1,39,19
77	Other Revenue Expenditure of the Ministry of Law. Voted .	3,24	2,81	4,30
	TOTAL—CARRIED OVER Voted .	8,74,25,88	10,07,22,27	13,16,10,43
	Charged .	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
	TOTAL .	13,11,14,08	14,52,65,72	17,98,90,58

(Amount in thousands of Rupees)

No. of Demand	Service, Administration or Area to which Demand relates.	Budget Estimates, 1962-63	Revised Estimates, 1962-63	Budget Estimates, 1963-64
(1)	(2)	(3)	(4)	(5)
	TOTAL—BROUGHT FORWARD. Voted	8,74,25,88	10,07,22,27	13,16,10,43
	Charged	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
	TOTAL	13,11,14,08	14,52,65,72	17,98,90,58
	Ministry of Mines and Fuel			
78	Ministry of Mines and Fuel. Voted	22,03	22,03	24,85
79	Geological Survey Voted	3,64,62	3,08,25	4,15,42
80	Other Revenue Expenditure of the Ministry of Mines and Fuel. Voted	10,56,17	9,63,04	12,24,49
	Ministry of Scientific Research and Cultural Affairs			
81	Ministry of Scientific Research and Cultural Affairs. Voted	39,08	37,03	37,38
82	Archaeology. Voted	1,25,06	1,16,56	1,10,90
83	Survey of India Voted	3,30,73	3,30,73	3,61,28
84	Botanical Survey Voted	29,95	19,75	27,81
85	Zoological Survey Voted	24,95	16,44	19,85
86	Scientific Research and Cultural Affairs. Voted	19,84,79	17,98,47	17,57,63
87	Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs Voted	69,99	54,95	56,65
	Ministry of Steel and Heavy Industries			
88	Ministry of Steel and Heavy Industries. Voted	18,30	23,22	31,21
89	Other Revenue Expenditure of the Ministry of Steel and Heavy Industries. Voted	38,90,55	53,41,71	30,91,24
	Ministry of Transport and Communications			
90	Ministry of Transport and Communications. Voted	1,02,86	91,24	1,02,25
91	Meteorology Voted	2,12,00	2,03,03	2,11,35
92	Central Road Fund Voted	4,50,92	4,40,00	4,35,00
	TOTAL—CARRIED OVER Voted	9,61,47,88	11,04,88,72	13,95,17,74
	Charged	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
	TOTAL	13,98,36,08	15,50,32,17	18,77,97,89

(Amount in thousands of Rupees)

No. of Demand	Service, or Administration Area to which Demand relates	Budget Estimates, 1962-63	Revised Estimates, 1962-63	Budget Estimates, 1963-64
(1)	(2)	(3)	(4)	(5)
	TOTAL—BROUGHT FORWARD Voted	9,61,47,88	11,04,88,72	13,95,17,74
	Charged	*4,36,88,20*	*4,45,43,45*	*4,82,80,15*
	TOTAL	13,98,36,08	15,50,32,17	18,77,97,89
93	Communications (including National Highways) Voted	7,56,67	7,82,56	7,37,93
94	Mercantile Marine Voted	83,63	91,28	99,57
95	Lighthouses and Lightships Voted	97,04	95,87	1,10,41
96	Aviation. Voted	5,65,42	5,65,85	5,51,38
97	Overseas Communications Service. Voted	1,60,67	1,40,37	1,39,94
98	Other Revenue Expenditure of the Ministry of Transport and Communications. Voted	3,16,96	2,92,87	3,28,83
99	Indian Posts and Telegraphs Department (including Working expenses). Voted	82,52,73	90,46,73	95,66,55
	Charged	*60*	*60*	*60*
	TOTAL	82,53,33	90,47,33	95,67,15
100	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds. Voted	13,92,00	13,40,50	19,97,20
	Ministry of Works, Housing and Rehabilitation.			
101	Ministry of Works, Housing and Rehabilitation. Voted	96,22	97,07	89,59
102	Public Works Voted	37,97,58	38,77,93	34,50,50
	Charged	*30,54*	*32,78*	*32,20*
	TOTAL	38,28,12	39,10,71	34,82,70
	TOTAL—CARRIED OVER Voted	11,16,66,80	12,68,19,75	15,65,89,64
	Charged	*4,37,19,34*	*4,45,76,83*	*4,83,12,95*
	TOTAL	15,53,86,14	17,13,96,58	20,49,02,59

(Amount in thousands of Rupees)

No. of Demand	Service, or Area Administration to which Demand relates	Budget Estimates, 1962-63	Revised Estimates, 1962-63	Budget Estimates, 1963-64
(1)	(2)	(3)	(4)	(5)
	TOTAL—BROUGHT FORWARD			
	Voted	11,16,66,80	12,68,19,75	15,65,89,64
	Charged	*4,37,19,34*	*4,45,76,83*	*4,83,12,95*
	TOTAL	15,53,86,14	17,13,96,58	20,49,02,59
103	Stationery and Printing. Voted	9,30,78	10,15,78	9,74,20
104	Expenditure on Displaced persons			
	Voted	9,58,58	9,58,58	8,39,84
	Charged	*1,25*	*95*	*85*
	TOTAL	9,59,83	9,59,53	8,40,69
105	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation			
	Voted	77,26	77,44	77,54
	Charged	*19*	..	..
	TOTAL	77,45	77,44	77,54
	Department of Atomic Energy.			
106	Department of Atomic Energy. Voted	16,07	15,59	15,73
107	Atomic Energy Research Voted	7,49,69	7,38,24	8,50,02
	Department of Parliamentary Affairs.			
108	Department of Parliamentary Affairs. Voted	2,95	2,93	3,17
	Parliament, Secretariate of the President and Vice-President, Union Public Service Commission			
109	Lok Sabha			
	Voted	99,96	93,41	96,20
	Charged	*67*	*63*	*66*
	TOTAL	1,00,63	94,04	96,86
110	Other Revenue Expenditure of Lok Sabha. Voted	42	42	42
111	Rajya Sabha Voted	39,03	41,74	43,02
	Charged	*79*	*73*	*67*
	TOTAL	39,82	42,47	43,69
	TOTAL—CARRIED OVER			
	Voted	11,45,41,54	12,97,63,88	15,94,89,78
	Charged	*4,37,22,24*	*4,45,79,14*	*4,83,15,13*
	TOTAL	15,82,63,78	17,43,43,02	20,78,04,91

(Amount in thousands of Rupees)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1962-63	Revise Estimates, 1962-63	Budget Estimates 1963-64
(1)	(2)	(3)	(4)	(5)
	TOTAL—BROUGHT FORWARD Voted	11,45,41,54	12,97,63,88	15,94,89,78
	Charged	*4,37,22,24*	*4,45,79,14*	*4,83,15,13*
	TOTAL	15,82,63,78	17,43,43,02	20,78,04,91
	Staff House-hold and Allowances of the President			
	Charged	*28,45*	*27,59*	*27,133*
112	Secretariat of the Vice-President Voted	82	1,36	1,23
	Union Public Service Commission			
	Charged	*48,00*	*47,38*	*49,15*
	TOTAL Voted	11,45,42,36	12,97,65,24	15,94,91,01
	TOTAL *Charged*	*4,37,98,69*	*4,46,54,11*	*4,83,91,41*
	TOTAL—I. Expenditure met from Revenue (*a*)	15,83,41,05	17,44,19,35	20,78,82,42
	(*a*) Expenditure shown in the Budget Statement.	20,32,08,86	21,86,81,10	25,77,45,60
	Amount of recoveries - shown in reduction of expenditure	96,87,45	1,07,77,48	1,01,31,89
		21,28,96,31	22,94,58,58	26,78,77,49
	Deduct—Railway Expenditure	—5,45,55,26	5,50,39,23	—5,99,95,07
	TOTAL	15,83,41,05	17,44,19,35	20,78,82,42
	II. EXPENDITURE MET FROM CAPITAL AND DISBURSEMENT OF LOANS AND ADVANCES :			
	Ministry of Commerce and Industry			
113	Capital Outlay of the Ministry of Commerce and Industry Voted	8,22,23	6,36,96	11,56,77
	Ministry of Community Development and Co-operation.			
114	Capital Outlay of the Ministry of Community Development and Co-operation Voted	3,42,56	3,42,52	31,99
	Ministry of Defence			
115	Defence Capital outlay . Voted	32,83,00	52,94,37	1,58,77,00
	Charged	*10,00*	*10,00*	*15,00*
	TOTAL	32,93,00	53,04,37	1,58,92,00

(Amount in thousands of Rupees)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1962-63	Revised Estimates. 1962-63	Budget Estimates, 1963-64
(1)	(2)	(3)	(4)	(5)
	Ministry of Economic and Defence Co-ordination			
116	Capital Outlay of the Ministry of Economic and Defence Co-ordination .			
	Voted .	..	..	1,00
	Ministry of Education			
117	Capital Outlay of the Ministry of Education			
	Voted .	9,97	6,12	1,59
	Ministry of External Affairs			
118	Capital Outlay of the Ministry of External Affairs. .			
	Voted .	90,20	1,08,20	1,23,00
	Ministry of Finance			
119	Capital Outlay on the India Security Press .			
	Voted .	41,66	35,25	18,58
120	Capital Outlay on Currency and Coinage .			
	Voted .	9,87,31	15,98,24	14,34,79
121	Capital Outlay on Mints			
	Voted .	6,47	6,30	18,52
122	Capital Outlay on Kolar Gold Mines .			
	Voted .	..	35,21	3,59,32
123	Commuted Value of Pensions .			
	Voted	2,31,18	98,97	1,05,90
	Charged .	*1,22*	*1,81*	*1,22*
	TOTAL .	2,32,40	1,00,78	1,07,12
	TOTAL—CARRIED OVER .			
	Voted	58,14,58	81,62,14	1,91,28,46
	Charged .	*11,22*	*11,81*	*16,22*
	TOTAL .	58,25,80	81,73,95	1,91,44,68

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL—BROUGHT FOR WARD			
	Voted .	58,14,58	81,62,14	1,91,28,46
	Charged	*11,22*	*11,81*	*16,22*
	TOTAL .	58,25,80	81,73,95	1,91,44,68
124	Other Capital Outlay of the Ministry of Finance.			
	Voted .	67,47,49	87,74,89	64,36,59
125	Capital Outlay on Grants to States for Development.			
	Voted .	25,32,00	22,92,49	24,57,83
126	Loans and Advances by the Central Government.			
	Voted .	1,36,45,06	1,47,37,82	1,74,53,99
	Charged	*4,53,15,23*	*5,23,15,23*	*5,41,08,25*
	TOTAL .	5,89,60,29	6,70,53,05	7,15,62,24
	Repayment of Debt .			
	Charged	*50,36,25,57*	*50,69,17,24*	*56,41,89,94*
	Ministry of Food and Agriculture			
127	Capital Outlay on Forests			
	Voted .	14,31	11,28	9,93
128	Purchase of Foodgrains.			
	Voted .	1,94,30,81	2,17,78,81	2,57,30,36
	Charged	*1,00*	*6,50*	*1,00*
	TOTAL .	1,94,31,81	2,17,85,31	2,57,31,36
129	Other Capital Outlay of the Ministry of Food and Agriculture			
	Voted .	62,92,38	58,35,52	65,75,43
	Charged	*5*	*2,00*	*10*
	TOTAL .	62,92,43	58,37,52	65,75,53
	TOTAL—CARRIED OVER .			
	Voted .	5,44,76,63	6,15,92,95	7,77,92,59
	Charged	*54,89,53,07*	*55,92,52,78*	*61,83,15,51*
	TOTAL .	60,34,29,70	62,08,45,73	69,61,08,10

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL—BROUGHT FORWARD .			
	Voted .	5,44,76,63	6,15,92,95	7,77,92,59
	Charged	*54,89,53,07*	*55,92,52,78*	*61,83,15,51*
	TOTAL .	60,34,29,70	62,08,45,73	69,61,08,10
	Ministey of Health			
130	Capital Outlay of the Ministry of Health .			
	Voted .	12,14,15	12,73,27	9,29,51
	Ministry of Home Affairs			
131	Capital Outlay of the Ministry of Home Affairs			
	Voted .	1,10,95	55,81	73,35
	Ministry of Information and Broadcasting			
132	Capital Outlay of the Ministry of Information and Broadcasting .			
	Voted .	2,80,00	2,43,22	2,97,55
	Charged	..	2	..
	TOTAL .	2,80,00	2,43,24	2,97,55
	Ministry of Irrigation and Power			
133	Capital Outlay on Multi-purpose River Schemes.			
	Voted .	10,03,41	4,06,97	10,28,65
134	Other Capital Outlay of the Ministry of Irrigation and Power .			
	Voted .	15,23,97	14,95,83	18,18,53
	TOTAL—CARRIED OVER .			
	Voted .	5,86,09,11	6,50,68,05	8,19,40,18
	Charged	*54,89,53,07*	*55,92,52,80*	*61,83,15,51*
	TOTAL .	60,75,62,18	62,43,20,85	70,02,55,69

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL BROUGHT FORWARD			
	Voted.	5,86,09,11	6,50,68,06	8,19,40,18
	Charged	*54,89,53,07*	*55,92,52,80*	*61,83,15,51*
	TOTAL .	60,75,62,18	62,43,20,83	70,02,55,69
	Ministry of Labour and Employment'			
135	Capital Outlay of the Ministry of Labour and Employment.			
	Voted .	1,41	1,00	85
	Ministry of Mines and Fuel			
136	Capital Outlay of the Ministry of Mines and Fuel.			
	Voted .	62,19,05	54,86,61	52,43,80
	Ministry of Scientific Research & Cultural Affairs			
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs.			
	Voted .	3,64,10	3,51,00	3,07,45
	Ministry of Steel and Heavy Industries .			
138	Capital Outlay of the Ministry of Steel and Heavy Industries.			
	Voted .	95,57,43	1,04,65,88	1,42,94,86
	Ministry of Transport and Communications			
139	Capital Outlay on Roads			
	Voted .	50,22,00	19,45,95	62,31,21
140	Capital Outlay on Ports			
	Voted .	3,83,82	3,75,10	7,02,40
141	Capital Outlay on Civil Aviation.			
	Voted .	4,09,13	3,14,87	3,65,70
	Charged	*25*	*25*	*25*
	TOTAL .	4,09,38	3,15,12	3,65,95
142	Other Capital Outlay of the Ministry of Transport and Communications.			
	Voted .	11,04,11	9,90,20	7,26,19
	Charged	..	*47*	..
	TOTAL	11,04,11	9,99,67	7,26,19
	TOTAL—CARRIED OVER			
	Voted .	8,16,70,16	0,79,87,66	10,98,12,64
	Charged	*54,89,53,32*	*55,92,53,52*	*61,83,15,76*
	TOTAL .	63,06,23,18	61,72,41,18	72,81,28,40

(Amount in thousands of Rs.)

No. of Demand (1)	Service Administration or Area to which Demand relates (2)	Budget Estimates, 1962-63 (3)	Revised Estimates, 1962-63 (4)	Budget Estimates, 1963-64 (5)
	TOTAL—BROUGHT FORWARD			
	Voted	8,16,70,16	8,79,87,66	10,98,12,64
	Charged	*54,89,53,32*	*55,92,53,52*	*61,83,15,76*
	TOTAL .	63,06,23,48	64,72,41,18	72,81,28,40
143	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)			
	Voted .	25,58,09	25,58,09	38,71,61
	Charged	*1,03*	*1,03*	..
	TOTAL .	25,59,12	25,59,12	38,71,61
	Ministry of Works. Housing and Rehabilitation .			
144	Capital Outlay on Public Works			
	Voted .	9,49,00	9,49,00	7,94,00
	Charged .	*1,00*	*1,00*	*6,00*
	TOTAL .	9,50,00	9,50,00	8,00,00
145	Delhi Capital Outlay			
	Voted .	8,61,80	8,61,80	7,88,00
	Charged	*21,20*	*21,20*	*12,00*
	TOTAL .	8,83,00	8,83,00	8,00,00
146	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation			
	Voted .	14,59,39	11,26,50	9,08,29
	Charged .	*5*	*5*	*10*
	TOTAL .	14,59,44	11,26,64	9,08,39
	Department of Atomic Energy			
147	Capital Outlay of the Department of Atomic Energy			
	Voted .	8,27,65	7,23,66	16,46,40
	TOTAL—II—EXPENDITURE MET FROM CAPITAL, ETC			
	Voted	8,83,26,09	9,42,06,80	11,78,20,94
	Charged	*54,89,76,60*	*55,92,76,80*	*61,83,33,86*
	TOTAL .	63,73,02,69	65,34,83,60	73,61,54,80
	GRAND TOTAL I &II			
	Voted .	20,28,68,45	22,39,72,94	27,73,11,95
	Charged	*59,27,75,29*	*60,39,39,91*	*66,67,25,27*
	TOTAL .	79,56,43,74	82,79,02,95	94,40,37,22

[As introduced in Lok Sabha]

Bill No. 12 of 1963

THE APPROPRIATION (VOTE ON ACCOUNT) BILL, 1963

A

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1963-64

Be it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Appropriation (Vote on Account) Act, 1963.

2. *Withdrawal of Rs.* 10,18,47,84,000 *from and out of the Consolidated Fund of India for the financial year* 1963-64.—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand and eighteen crores, forty-seven lakhs and eighty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64.

3. *Appropriation.*—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and industry	6,37,000	..	6,37,000
2	Industries	1,80,66,000	..	1,80,66,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
3	Salt	5,20,000	..	5,20,000
4	Commercial Intelligence and Statistics	7,90,000	..	7,90,000
5	Other Revenue Expenditure of the Ministry of Commerce and Industry	30,91,000	..	30,91,000
6	Ministry of Community Development and Co-operation . .	2,44,000	..	2,44,000
7	Community Development Projects, National Extension Service and Co-operation . . .	32,96,000	..	32,96,000
8	Ministry of Defence . . .	4,51,000	..	4,51,000
9	Defence Services—Effective .	60,28,89,000	92,000	60,29,81,000
10	Defence Services—Non-Effective .	1,57,50,000	4,000	1,57,54,000
11	Ministry of Economic and Defence co-ordination	1,40,000	..	1,40,000
12	Supplies and Disposals . . .	26,80,000	..	26,80,000
13	Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination	4,74,000	..	4,74,000
14	Ministry of Education . . .	3.67,000	..	3,67,000
15	Education	1,40,42,000	..	1,40,42,000
16	Other Revenue Expenditure of the Ministry of Education . .	20,59,000	..	20,59,000
17	Tribal Areas	1,14,09,000	..	1,14,09,000
18	Naga Hills—Tuensang Area .	50,44,000	..	50,44,000
19	External Affairs	1,40,65,000	..	1,40,65,000
20	State of Pondicherry . . .	31,39,000	..	31,39,000
21	Dadra and Nagar Haveli Area .	1,17,000	..	1,17,000
22	Goa, Daman and Diu . . .	58,95,000	..	58,95,000
23	Other Revenue Expenditure of the Ministry of External Affairs .	40,23,000	..	40,23,000
24	Ministry of Finance . . .	15,62,000	..	15,62,000
25	Customs	34,80,000	4,000	34,84,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
26	Union Excise Duties . . .	87,78,000	5,000	87,83,000
27	Taxes on Income including Corporation Tax, etc.	57,36,000	12,000	57,48,000
28	Stamps	25,38,000	..	25,38,000
29	Audit	1,09,26,000	1,85,000	1,11,11,000
30	Currency and Coinage . .	77,60,000	..	77,60,000
31	Mint	21,04,000	..	21,04,000
32	Kolar Gold Mines . . .	46,51,000	..	46,51,000
33	Pensions and other Retirement Benefits	88,75,000	2,71,000	91,46,000
34	Territorial and Political Pensions .	1,91,000	..	1,91,000
35	Opium	2,47,03,000	..	2,47,03,000
36	Other Revenue Expenditure of the Ministry of Finance . . .	7,35,30,000	..	7,35,30,000
37	Planning Commission . . .	7,94,000	..	7,94,000
38	Grants-in-aid to States . . .	12,78,09,000	17,10,75,000	29,88,84,000
39	Miscellaneous Adjustments between the Central and State Governments	2,09,000	..	2,09,000
40	Pre-Partition Payments . . .	79,000	1,05,000	1,84,000
	CHARGED.—*Interest on Debt and other obligations and reduction or avoidance of Debt*	..	22,93,67,000	22,93,67,000
41	Ministry of Food and Agriculture .	6,86,000	..	6,86,000
42	Agriculture	26,65,000	..	26,65,000
43	Agricultural Research . . .	43,10,000	..	43,10,000
44	Animal Husbandry . . .	8,06,000	..	8,06,000
45	Forest	8,88,000	..	8,88,000
46	Other Revenue Expenditure of the Ministry of Food and Agriculture	2,64,97,000	97,000	2,65,94,000
47	Ministry of Health . . .	1,61,000	..	1,61,000
48	Medical and Public Health . .	85,43,000	..	85,43,000

1	2	3		
No. of Vote	Services and purposes	Sums not excceding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
49	Other Revenue Expenditure of the Ministry of Health . . .	5,62,000	..	5,62,000
50	Ministry of Home Affairs . .	37,01,000	..	37,01,000
51	Cabinet	3,79,000	..	3,79,000
52	Zonal Councils	20,000	..	20,000
53	Administration of Justice . .	25,000	*1,74,000*	1,99,000
54	Police	1,34,67,000	..	1,34,67,000
55	Census	7,79,000	..	7,79,000
56	Statistics	15,89,000	..	15,89,000
57	Privy Purses and Allowances of Indian Rulers	1,34,000	*1,27,01,000*	1,28,35,000
58	Delhi	1,56,53,000	*3,000*	1,56,56,000
59	Himachal Pradesh . . .	92,04,000	..	92,04,000
60	Andaman and Nicobar Islands .	24,61,000	..	24,61,000
61	Manipur	37,68,000	..	37,68,000
62	Tripura	69,16,000	..	69,16,000
63	Laccadive, Minicoy and Amindivi Islands.	2,29,000	..	2,29,000
64	Other Revenue Expenditure of the Ministry of Home Affairs .	26,24,000	..	26,24,000
65	Ministry of Information and Broadcasting	1,46,000	..	1,46,000
66	Broadcasting.	46,82,000	..	46,82,000
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting	33,05,000	..	33,05,000
68	Ministry of Irrigation and Power .	2,27,000	..	2,27,000
69	Multi-purpose River Schemes .	9,93,000	..	9,93,000
70	Other Revenue Expenditure of the Ministry of Irrigation and Power	45,61,000	..	45,61,000
71	Ministry of Labour and Employment	2,26,000	..	2,26,000
72	Chief Inspector of Mines . .	2,33,000	..	2,33,000
73	Labour and Employment . .	68,60,000	..	68.60,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
74	Other Revenue Expenditure of the Ministry of Labour and Employment	17,16,000	..	17,16,000
75	Ministry of Law	3,39,000	..	3,39,000
76	Elections	11,60,000	..	11,60,000
77	Other Revenue Expenditure of the Ministry of Law	36,000	..	36,000
78	Ministry of Mines and Fuel	2,07,000	..	2,07,000
79	Geological Survey	34,62,000	..	34,62,000
80	Other Revenue Expenditure of the Ministry of Mines and Fuel	1,02,04,000	..	1,02,04,000
81	Ministry of Scientific Research and Cultural Affairs	3,11,000	..	3,11,000
82	Archaeology	9,24,000	..	9,24,000
83	Survey of India	30,10,000	..	30,10,000
84	Botanical Survey	2,32,000	..	2,32,000
85	Zoological Survey	1,65,000	..	1,65,000
86	Scientific Research and Cultural Affairs	1,46,47,000	..	1,46,47,000
87	Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs	4,72,000	..	4,72,000
88	Ministry of Steel and Heavy Industries	2,60,000	..	2,60,000
89	Other Revenue Expenditure of the Ministry of Steel and Heavy Industries	2,57,60,000	..	2,57,60,000
90	Ministry of Transport and Communications	8,52,000	..	8,52,000
91	Meteorology	17,61,000	..	17,61,000
92	Central Road Fund	36,25,000	..	35,25,000
93	Communications (including National Highways)	61,49,000	..	61,49,000
94	Mercantile Marine	8,30,000	..	8,30,000
95	Lighthouses and Lightships	9,20,000	..	9,20,000
96	Aviation	45,95,000	..	45,95,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
97	Overseas Communications Service	11,66,000	..	11,66,000
98	Other Revenue Expenditure of the Ministry of Transport and Communications . . .	27,40,000	..	27,40,000
99	Indian Posts and Telegraphs Department (including Working Expenses)	7,97,21,000	5,000	7,97,26,000
100	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds .	1,66,43,000	..	1,66,43,000
101	Ministry of Works, Housing and Rehabilitation	7,47,000	..	7,47,000
102	Public Works	2,87,54,000	2,68,000	2,90,22,000
103	Stationery and Printing . .	81,18,000	..	81,18,000
104	Expenditure on Displaced Persons	69,99,000	.. 7,000	70,06,000
105	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation	6,46,000	..	6,46,000
106	Department of Atomic Energy. .	1,31,000	..	1,31,000
107	Atomic Energy Research . .	70,84,000	..	70,84,000
108	Department of Parliamentary Affairs	27,000	..	27,000
109	Lok Sabha	8,02,000	6,000	8,08,000
110	Other Revenue Expenditure of Lok Sabha	42,000	..	42,000
111	Rajya Sabha.	3,59,000	6,000	3,65,000
	CHARGED.—*Staff, Household and Allowances of the President* .	..	2,26,000	2,26,000
112	Secretariat of the Vice-President .	10,000	..	10,000
	CHARGED.—*Union Public Service Commission*	..	4,10,000	4,10,000
113	Capital Outlay of the Ministry of Commerce and Industry . .	96,40,000	..	96,40,000
114	Capital Outlay of the Ministry of Community Development and Co-operation	2,66,000	..	2,66,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
115	Defence Capital Outlay . .	13,23,08,000	1,25,000	13,24,33,000
116	Capital Outlay of the Ministry of Economic and Defence Co-ordination	8,000	..	8,000
117	Capital Outlay of the Ministry of Education	13,000	..	3,000
118	Capital Outlay of the Ministry of External Affairs . . .	10,25,000	..	10,25,000
119	Capital Outlay on the India Security Press	1,55,000	..	1,55,000
120	Capital Outlay on Currency and Coinage	1,19,56,000	..	1,19,56,000
121	Capital Outlay on Mints .	1,54,000	..	1,54,000
122	Capital Outlay on Kolar Gold Mines	29,94,000	..	29,94,000
123	Commuted Value of Pensions .	8,83,000	10,000	8,93,000
124	Other Capital Outlay of the Ministry of Finance	5,36,38,000	..	5,36,38,000
125	Capital Outlay on Grants to States for Development . . .	2,04,82,000	..	2,04,82,000
126	Loans and Advances by the Central Government	19,54,50,000	45,09,02,000	64,63,52,000
	CHARGED.—*Repayment of Debt* .	..	6,84,80,00,000	6,84,80,00,000
127	Capital Outlay on Forests . .	83,000	..	83,000
128	Purchase of Foodgrains . .	29,73,00,000	10,000	29,73,10,000
129	Other Capital Outlay of the Ministry of Food and Agriculture . .	5,47,95,000	1,000	5,47,96,000
130	Capital Outlay of the Ministry of Health	77,46,000	.	77,46,000
131	Capital Outlay of the Ministry of Home Affairs	6,11,000	..	6,11,000
132	Capital Outlay of the Ministry of Information and Broadcasting .	24,80,000	..	24,80,000
133	Capital Outlay on Multi-purpose River Schemes	85,72,000	..	85,72,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
134	Other Capital Outlay of the Ministry of Irrigation and Power .	1,51,55,000	..	1,51,55,000
135	Capital Outlay of the Ministry of Labour and Employment . .	7,000	..	7,000
136	Capital Outlay of the Ministry of Mines and Fuel . . .	4,36,98,000	..	4,36,98,000
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	25,62,000	..	25,62,000
138	Capital Outlay of the Ministry of Steel and Heavy Industries .	11,91,24,000	..	11,91,24,000
139	Capital Outlay on Roads . .	5,19,27,000	..	5,19,27,000
140	Capital Outlay on Ports . .	58,53,000	..	58,53,000
141	Capital Outlay on Civil Aviation .	30,48,000	2,000	30,50,000
142	Other Capital Outlay of the Ministry of Transport and Communications	60,52,000	..	60,52,000
143	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)	3,22,63,000	..	3,22,63,000
144	Capital Outlay on Public Works .	66,17,000	50,000	66,67,000
145	Delhi Capital Outlay . . .	65,67,000	1,00,000	66,67,000
146	Other Capital Outlay of the Ministry of Works, Housing, and Rehabilitation	75,69,000	1,000	75,70,000
147	Capital Outlay of the Department of Atomic Energy . . .	1,37,20,000	..	1,37,20,000
	GRAND TOTAL . . .	2,47,05,60,000	7,71,42,24,000	10,18,47,84,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India, read with article 116 thereof, to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made in advance by the Lok Sabha in respect of the estimated expenditure of the Central Government, excluding Railways, for a part of the financial year 1963-64.

MORARJI DESAI.

LOK SABHA

A

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1963-64.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, read with clause (2) of article 116 thereof, recommended to Lok Sabha, the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(*Shri Morarji Desai,*
Minister of Finance)

THE APPROPRIATION (VOTE ON ACCOUNT) ACT, 1963

AN

ACT

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1963-64.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Appropriation (Vote on Account) Act, 1963.

2. *Withdrawal of Rs.* 10,18,47,84,000 *from and out of the Consolidated Fund of India for the financial year* 1963-64.—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand and eighteen crores, forty-seven lakhs and eighty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64.

3. *Appropriation.*—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	6,37,000	..	6,37,000
2	Industries	1,80,66,000	..	1,80,66,000
3	Salt	5,20,000	..	5,20,000
4	Commercial Intelligence and Statistics	7,90,000	..	7,90,000

	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
5	Other Revenue Expenditure of the Ministry of Commerce and Industry	30,91,000	..	30,91,000
6	Ministry of Community Development and Co-operation . .	2,44,000	..	2,44,000
7	Community Development Projects, National Extension Service and Co-operation . .	32,96,000	..	32,96,000
8	Ministry of Defence . .	4,51,000	..	4,51,000
9	Defence Services—Effective .	60,28,89,000	*92,000*	60,29,81,000
10	Defence Services—Non-Effective .	1,57,50,000	*4,000*	1,57,54,000
11	Ministry of Economic and Defence Co-ordination . . .	1,40,000	..	1,40,000
12	Supplies and Disposals . .	26,80,000	..	26,80,000
13	Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination . .	4,74,000	..	4,74,000
14	Ministry of Education . .	3,67,000	..	3,67,000
15	Education	1,40,42,000	..	1,40,42,000
16	Other Revenue Expenditure of the Ministry of Education .	20,59,000	..	20,59,000
17	Tribal Areas . . .	1,14,09,000	..	1,14,09,000
18	Naga Hills—Tuensang Area .	50,44,000	..	50,44,000
19	External Affairs . . .	1,40,65,000	..	1,40,65,000
20	State of Pondicherry . .	31,39,000	..	31,39,000
21	Dadra and Nagar Haveli Area .	1,17,000	..	1,17,000
22	Goa, Daman and Diu . .	58,95,000	..	58,95,000
23	Other Revenue Expenditure of the Ministry of External Affairs .	40,23,000	..	40,23,000
24	Ministry of Finance . .	15,62,000	..	15,62,000
25	Customs	34,80,000	*4,000*	34,84,000
26	Union Excise Duties . .	87,78,000	*5,000*	87,83,000
27	Taxes on Income including Corporation Tax, etc. . .	57,36,000	*12,000*	57,48,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
28	Stamps	25,38,000	..	25,38,000
29	Audit	1,09.26,000	*1,85,000*	1,11,11,000
30	Currency and Coinage . .	77,60,000	..	77,60,000
31	Mint	21,04,000	..	21,04,000
32	Kolar Gold Mines . .	46,51,000	..	46,51,000
33	Pensions and other Retirement Benefits . . .	88,75,000	*2,71,000*	91,46,000
34	Territorial and Political Pensions .	1,91,000	..	1,91,000
35	Opium	2,47,03,000	..	2,47,03,000
36	Other Revenue Expenditure of the Ministry of Finance .	7,35,30,000	..	7,35,30,000
37	Planning Commission . .	7,94,000	..	7,94,000
38	Grants-in-aid to State . .	12,78,09,000	*17,10,75,000*	29,88,84,000
39	Miscellaneous Adjustments between the Central and State Governments . . .	2,09,000	..	2,09,000
40	Pre-Partition Payments . .	79,000	*1,05,000*	1,84,000
	CHARGED.—*Interest on Debt and other obligations and reduction or avoidance of Debt* . .	..	*22,93,67,000*	22,93,67,000
41	Ministry of Food and Agriculture .	6,86,000	..	6,86,000
42	Agriculture	26,65,000	..	26,65,000
43	Agricultural Research . .	43,10,000	..	43,10,000
44	Animal Husbandry . .	8,06,000	..	8,06,000
45	Forest	8,88,000	..	8,88,000
46	Other Revenue Expenditure of the Ministry of Food and Agriculture . . .	2,64,97,000	*97,000*	2,65,94,000
47	Ministry of Health . .	1,61,000	..	1,61,000
48	Medical and Public Health . .	85,43,000	..	85,43,000
49	Other Revenue Expenditure of the Ministry of Health . .	5,62,000	..	5,62,000
50	Ministry of Home Affairs . .	37,01,000	..	37,01,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
51	Cabinet	3,79,000	..	3,79,000
52	Zonal Councils . . .	20,000	..	20,000
53	Administration of Justice . .	25,000	1,74,000	1,99,000
54	Police	1,34,67,000	..	1,34,67,000
55	Census	7.79,000	..	7,79,000
56	Statistics	15,89,000	..	15,89,000
57	Privy Purses and Allowances of Indian Rulers . .	1,34,000	1,27,01,000	1,28,35,000
58	Delhi	1,56,53,000	3,000	1,56,56,000
59	Himachal Pradesh . . .	92,04,000	..	92,04,000
60	Andaman and Nicobar Islands .	24,61,000	..	24,61,000
61	Manipur	37,68,000	..	37,68,000
62	Tripura	69,16,000	..	69,16,000
63	Laccadive, Minicoy and Amindivi Islands	2,29,000	..	2,29,000
64	Other Revenue Expenditure of the Ministry of Home Affairs .	26,24,000	..	26,24,000
65	Ministry of Information and Broadcasting	1,46,000	..	1,46,000
66	Broadcasting	46,82,000	..	46,82,000
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting . . .	33,05,000	..	33,05,000
68	Ministry of Irrigation and Power .	2,27,000	..	2,27,000
69	Multi-purpose River Schemes . .	9,93,000	..	9,93,000
70	Other Revenue Expenditure of the Ministry of Irrigation and Power .	45,61,000	..	45,61,000
71	Ministry of Labour and Employment	2,26,000	..	2,26,000
72	Chief Inspector of Mines . . .	2,33,000	..	2,33,000
73	Labour and Employment . . .	68,60,000	..	68,60,000
74	Other Revenue Expenditure of the Ministry of Labour and Employment	17,16,000	..	17,16,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
75	Ministry of Law	3,39,000	..	3,39,000
76	Elections	11,60,000	..	11,60,000
77	Other Revenue Expenditure of the Ministry of Law	36,000	..	36,000
78	Ministry of Mines and Fuel . .	2,07,000	..	2,07,000
79	Geological Survey	34,62,000	..	34,62,000
80	Other Revenue Expenditure of the Ministry of Mines and Fuel . .	1,02,04,000	..	1,02,04,000
81	Ministry of Scientific Research and Cultural Affairs	3,11,000	..	3,11,000
82	Archaeology	9,24,000	..	9,24,000
83	Survey of India	30,10,000	..	30,10,000
84	Botanical Survey	2,32,000	..	2,32,000
85	Zoological Survey	1,65,000	..	1,65,000
86	Scientific Research and Cultural Affairs	1,46,47,000	..	1,46,47,000
87	Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs . . .	4,72,000	..	4,72,000
88	Ministry of Steel and Heavy Industries	2,60,000	..	2,60,000
89	Other Revenue Expenditure of the Ministry of Steel and Heavy Industries	2,57,60,000	..	2,57,60,000
90	Ministry of Transport and Communications	8,52,000	..	8,52,000
91	Meteorology	17,61,000	..	17,61,000
92	Central Road Fund	36,25,000	..	36,25,000
93	Communications (including National Highways)	61,49,000	..	61,49,000
94	Mercantile Marine	8,30,000	..	8,30,000
95	Lighthouses and Lightships . .	9,20,000	..	9,20,000
96	Aviation	45,95,000	..	45,95,000
97	Overseas Communications Service .	11,66,000	..	11,66,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
98	Other Revenue Expenditure of the Ministry of Transport and Communications	27,40,000	..	27,40,000
99	Indian Posts and Telegraphs Department (including Working Expenses)	7,97,21,000	*5,000*	7,97,26,000
100	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds . . .	1,66,43,000	..	1,66,43,000
101	Ministry of Works, Housing and Rehabilitation	7,47,000	..	7,47,000
102	Public Works	2,87,54,000	*2,68,000*	2,90,22,000
103	Stationery and Printing . . .	81,18,000	..	81,18,000
104	Expenditure on Displaced Persons .	69,99,000	*7,000*	70,06,000
105	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation	6,46,000	..	6,46,000
106	Department of Atomic Energy . .	1,31,000	..	1,31,000
107	Atomic Energy Research . . .	70,84,000	..	70,84,000
108	Department of Parliamentary Affairs .	27,000	..	27,000
109	Lok Sabha	8,02,000	*6,000*	8,08,000
110	Other Revenue Expenditure of Lok Sabha	42,000	..	42,000
111	Rajya Sabha	3,59,000	*6,000*	3,65,000
	CHARGED.—*Staff, Household and Allowances of the President* . .	..	*2,26,000*	2,26,000
112	Secretariat of the Vice-President. .	10,000	..	10,000
	CHARGED.—*Union Public Service Commission*	..	*4,10,000*	4,10,000
113	Capital Outlay of the Ministry of Commerce and Industry . . .	96,40,000	..	96,40,000
114	Capital Outlay of the Ministry of Community Development and Co-operation	2,66,000	..	2,66,000
115	Defence Capital Outlay . . .	13,23,08,000	*1,25,000*	13,24,33,000
116	Capital Outlay of the Ministry of Economic and Defence Co-ordination	8,000	..	8,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
117	Capital Outlay of the Ministry of Education	13,000	..	13,000
118	Capital Outlay of the Ministry of External Affairs	10,25,000	..	10,25,000
119	Capital Outlay on the India Security Press	1,55,000	..	1,55,000
120	Capital Outlay on Currency and Coinage	1,19,56,000	..	1,19,56,000
121	Capital Outlay on Mints . . .	1,54,000	..	1,54,000
122	Capital Outlay on Kolar Gold Mines	29,94,000	..	29,94,000
123	Commuted Value of Pensions . .	8,83,000	*10,000*	8,93,000
124	Other Capital Outlay of the Ministry of Finance	5,36,38,000	..	5,36,38,000
125	Capital Outlay on Grants to States for Development	2,04,82,000	..	2,04,82,000
126	Loans and Advances by the Central Government	19,54,50,000	*45,09,02,000*	64,63,52,000
	CHARGED.—*Repayment of Debt* . .	..	*6,84,80,00,000*	*6,84,80,00,000*
127	Capital Outlay on Forests . . .	83,000	..	83,000
128	Purchase of Foodgrains . . .	29,73,00,000	*10,000*	29,73,10,000
129	Other Capital Outlay of the Ministry of Food and Agriculture . .	5,47,95,000	*1,000*	5,47,96,000
130	Capital Outlay of the Ministry of Health	77,46,000	..	77,46,000
131	Capital Outlay of the Ministry of Home Affairs	6,11,000	..	6,11,000
132	Capital Outlay of the Ministry of Information and Broadcasting . .	24,80,000	..	24,80,000
133	Capital Outlay on Multipurpose River Schemes	85,72,000	..	85,72,000
134	Other Capital Outlay of the Ministry of Irrigation and Power . . .	1,51,55,000	..	1,51,55,000
135	Capital Outlay of the Ministry of Labour and Employment . .	7,000	..	7,000
136	Capital Outlay of the Ministry of Mines and Fuel	4,36,98,000	..	4,36,98,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	25,62,000	..	25,62,000
138	Capital Outlay of the Ministry of Steel and Heavy Industries . . .	11,91,24,000	..	11,91,24,000
139	Capital Outlay on Roads . . .	5,19,27,000	..	5,19,27,000
140	Capital Outlay on Ports . . .	58,53,000	..	58,53,000
141	Capital Outlay on Civil Aviation .	30,48,000	2,000	30,50,000
142	Other Capital Outlay of the Ministry of Transport and Communications	60,52,000	..	60,52,000
143	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue).	3,22,63,000	..	3,22,63,000
144	Capital Outlay on Public Works . .	66,17,000	50,000	66,67,000
145	Delhi Capital Outlay. . . .	65,67,000	1,00,000	66,67,000
146	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	75,69,000	1,000	75,70,000
147	Capital Outlay of the Department of Atomic Energy	1,37,20,000	..	1,37,20,000
	GRAND TOTAL . .	2,47,05,60,000	7,71,42,24,000	10,18,47,84,000

THE FINANCE BILL 1963

(As introduced in Lok Sabha)

A

BILL

to give effect to the financial proposal of the Central Government for the financial year 1963-64.

Be it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Finance Act, 1963.

(2) Save as otherwise provided in this Act, sections 3, 6, 7, 9, 11, 12, 13 and 21 shall be deemed to have come into force on the 1st day of April, 1963.

2. *Income-tax and super-tax.*—(1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1963,—

(*a*) income-tax shall be charged at the rates specified in Part I of the First Schedule and,—

(*i*) in the cases to which Paragraphs A, B, C and E of that Part apply, shall be increased by a surcharge for purposes of the Union and, except in the cases to which the said Paragraph E applies, a special surcharge, calculated in either case in the manner provided therein; and

(*ii*) in the cases to which Paragraphs A and C of the aforesaid Part apply, shall further be increased by an additional surcharge for purposes of the Union (hereinafter referred to as additional surcharge) calculated in the manner provided in the said Schedule;

(*b*) super-tax shall, for the purposes of section 95 of the Income-tax Act, 1961 (43 of 1961.) (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge, calculated in either case in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1963,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the

total amount of income-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962, (20 of 1962.) on his total income the same proportion as the amount of such inclusion bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (1) of section 192 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962, (20 of 1962). on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1963, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, (31 of 1956.) includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(*i*) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with Paragraph E of Part II of the First Schedule; and

(*ii*) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) (a) In cases to which Chapter XII of the Income-tax Act applies, the tax chargeable shall be determined as provided in that Chapter, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(b) In computing under section 209 of the Income-tax Act, the advance tax payable by an assessee, the additional surcharge shall be included.

(c) The amount of income-tax to be deducted at source under sub-section (1) of section 192 of the Income-tax Act from income chargeable under the head "Salaries" shall include an additional surcharge equal in amount to the additional surcharge which would have been leviable if the estimated income under that head had been the total income.

(5) In respect of any assessment for the assessment year commencing on the 1st day of April, 1963—

(*i*) an assessee being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax and super-tax with which he is chargeable of an amount equal to the income-tax and super-tax calculated respectively at one-tenth of the average rate of income-tax and of the average rate of super-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in clause (i) is engaged in the manufacture of any articles in an industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) exports after the 28th day of February, 1963, such articles out of India, he shall be entitled, in addition to the deduction of tax referred to in clause (i), to a further deduction of tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on an amount equal to two per cent. of the sale proceeds received by him on such export;

(iii) where an assessee of the type referred to in clause (i) engaged in the manufacture of any articles in an industry specified in the said First Schedule sells after the 28th day of February, 1963, such articles to any other person in India who himself exports them out of India during the previous year and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on a sum equal to two per cent. of the sale proceeds received in respect of such articles by the manufacturer from the exporter;

(iv) the total of the deductions under this sub-section shall in no case exceed the amount of income-tax and super-tax otherwise payable by the assessee;

(v) nothing contained in clauses (ii) and (iii) shall apply in relation to fuels, textiles (including those dyed, printed or otherwise processed), sugar, vegetable oils and vanaspathi, cement and gypsum products and cigarettes respectively specified in items, 2, 23, 25, 28, 35 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) and in relation to such other articles in any other industry specified in that Schedule which may be notified in the Official Gazette by the Central Government having regard to the progress achieved by the industry or any other relevant factors;

(vi) the amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax and super-tax is admissible under clause (i) shall be computed in accordance with the rules made by the Central Board of Revenue in this behalf.

(6) In cases in which tax has to be deducted under sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part III of the First Schedule.

(7) For the purposes of this section, and of the rates of tax imposed hereby, and of section 3—

(i) the expressions "assessment year", "average rate of income-tax", "average rate of super-tax", "partner", "tax" and "total income" have the meanings respectively assigned to them under clauses (9), (10), (11), (23), (43) and (45) of section 2 of the Income-tax Act;

(ii) the expression "earned income" has the same meaning as in section 2 of the Finance (No. 2) Act, 1962 (20 of 1962).

(8) For the purposes of Paragraphs A and C of Part I of the First Schedule, the expression "residual income" means the amount of the total income as reduced by—

(a) the amount of the capital gains, if any, included therein; and

(b) the amount of tax (exclusive of additional surcharge) which would have been chargeable on such reduced total income if it had been the total income no part of which had been exempt from tax and on no portion of which deduction of tax had been admissible under any provisions of the Income-tax Act or this Act.

3. *Additional surcharge not to be taken into account for purposes of deduction, etc.*—Notwithstanding anything contained in the Income-tax Act or sub-section (5) of section 2 of this Act, in calculating any relief, rebate or deduction in respect of the tax payable on the total income of an assessee which contains any income on which no income-tax is payable or in respect of which a deduction is admissible, no account shall be taken of the additional surcharge.

4. *Amendment of section* 2.—In section 2 of the Income-tax Act, for clause (44), the following clause shall be, and shall be deemed always to have been, substituted, namely:—

"(44) Tax Recovery Officer' means—

(i) a Collector or an additional Collector;

(ii) any such officer empowered to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State as may be authorised by the State Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer;

(iii) any Gazetted Officer of the Central or a State Government who may be authorised by the Central Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer;".

5. *Amendment of section* 13.—In section 13 of the Income-tax Act, in clause (b), for the words "trust or charitable institution", the words "trust for charitable purposes or a charitable institution" shall be, and shall be deemed always to have been, substituted.

6. *Amendment of section* 40.—In section 40 of the Income-tax Act, in clause (c), before the Explanation, the following sub-clause shall be inserted, namely:—

"(iii) any expenditure which results directly or indirectly in the provision of any remuneration, benefit or amenity to an employee to the extent that it exceeds five thousand rupees per month for any period after the 28th day of February, 1963;

Provided that in computing the aforesaid expenditure, any payments by way of gratuity or any sums comprised in the transferred balance of an employee participating in a recognised provident fund referred to in clause (vii) of sub-section (1) of section 17, or the amount of any compensation referred to in clause (i) or any payment referred to in clause (ii) of sub-section (3) of that section shall not be taken into account.".

7. *Amendment of section* 58.—In section 58 of the Income-tax Act, in clause (b), after the words, brackets and figure "referred to in sub-clause (i)", the words, brackets and figures "or in sub-clause (iii)" shall be inserted.

8. *Amendment of section* 139.—In section 139 of the Income-tax Act,—

(1) in sub-section (1), in clause (iii) (b) of the proviso, the words "as finally assessed" shall be, and shall be deemed always to have been, omitted;

(2) after sub-section (1), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

"(1A) Where as a result of an order under section 154 or section 155 or section 250 or section 254 or section 260 or section 262 or section 264, the amount of tax on which interest was payable under clause (iii) of the proviso to sub-section (1) has been reduced, the interest shall be reduced accordingly, and the excess interest paid, if any, shall be refunded.";

(3) after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) Notwithstanding anything contained in clause (iii) of the proviso to sub-section (1), the Income-tax Officer may, in such cases and under such circumstances as may be prescribed, reduce or waive the interest payable by any person under any provision of this section.".

9. *Insertion of new section* 141A.—After section 141 of the Income-tax Act, the following section shall be inserted, namely:—

Relief to be given to, and interest to be recovered from, assessees in certain cases.—"141A. (1) If any assessee having furnished a return under section 139 before the 1st day of January of the assessment year, pays before that date the tax determined as payable by him in pursuance of a provisional assessment made under section 141 or a regular assessment made under section 143 or section 144, or where neither of such assessments has been made before that date, the tax payable by him on the basis of such return after taking into consideration the tax paid for the assessment year under the provisions of Chapter XVII-B or Chapter XVII-C, he shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable of an amount equal to one per cent. of the amount of tax so paid by him before the said date.

(2) If any assessee does not furnish a return under section 139 before the 1st day of January of the assessment year and no regular assessment under section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he is chargeable, be liable to pay an amount calculated at two per cent. per annum from the said 1st day of January to—

(i) in the case where no return is furnished, the date on which a regular assessment is made under section 144;

(ii) in the case where a return is filed after the said 1st day of January, the date on which a provisional assessment under section 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made,

the calculation in the case referred to in clause (i) being made with reference to the tax payable on regular assessment under section 144

and in the case referred to in clause (ii) being made with reference to the tax payable on the basis of the return, and in either case after taking into consideration the tax already paid under the provisions of Chapter XVII-B or Chapter XVII-C.

(3) If any assessee having furnished a return under section 139 before the 1st day of January of the assessment year does not pay before that date the tax payable on the basis of such return after taking into consideration the tax already paid for the assessment year under the provisions of Chapter XVII-B or Chapter XVII-C and no provisional assessment under section 141 or regular assessment under section 143 or section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he is chargeable, be liable to pay an amount calculated at two per cent. per annum from the said 1st day of January to the date on which a provisional assessment under section 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made, the calculation being made with reference to the tax payable on the basis of the return after taking into consideration the tax already paid under the provisions of the aforesaid Chapters.

(4) Any sum paid by an assessee in accordance with the provisions of sub-section (1) otherwise than in pursuance of a provisional assessment made under section 141 or a regular assessment under section 143 or section 144, shall be treated as a payment of tax in respect of the relevant assessment year, and credit therefor shall be given to the assessee in the regular assessment.".

10. *Amendment of section* 146.—In section 146 of the Income-tax Act, for the words and figures "in accordance with the provisions of section 143 or 144", the words and figures "in accordance with the provisions of section 143 or section 144" shall be substituted.

11. *Amendment of section* 209.—In section 209 of the Income-tax Act, after clause (c) and before the Explanation, the following clause shall be inserted, namely:—

"(d) in cases where the Income-tax Officer makes an amended order referred to in sub-section (3) of section 210 on the basis of a provisional assessment, the total income on the basis of which the relevant provisional assessment had been made shall be substituted for the total income referred to in clause (a).".

12. *Amendment of section* 210.—In section 210 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) If, after the making of an order by the Income-tax Officer under this section and before the 15th day of February of the financial year, a regular assessment or a provisional assessment under section 141 of the assessee (or of the registered firm of which he is a partner) is made in respect of a previous year later than that referred to in the order of the Income-tax Officer, the Income-tax Officer may make an amended order requiring the assessee to pay in one instalment on the specified date, or in equal instalments on the specified dates, if more than one, falling after the date of the amended order, the advance tax computed on the basis of the total income determined for the purposes of the regular assessment or the provisional assessment aforesaid as reduced by the amount, if any, paid in accordance with the original order.".

13. *Amendment of section* 215.—In section 215 of the Income-tax Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where before the date of completion of a regular assessment, a provisional assessment is made under section 141 or tax is paid by the assessee otherwise than in pursuance of such a provisional assessment—

(i) interest shall be calculated in accordance with the foregoing provision up to the date on which the tax is paid either as provisionally assessed or otherwise; and

(ii) thereafter interest shall be calculated at the rate aforesaid on the amount by which the tax as so paid (in so far as it relates to income subject to advance tax) falls short of the said seventy-five per cent.".

14. *Amendment of section* 220.—In section 220 of the Income-tax Act, to sub-section (2), the following proviso shall be, and shall be deemed always to have been, added, namely:—

"Provided that, where as a result of an order under section 154, or section 155, or section 250, or section 254, or section 260, or section 262, or section 264, the amount on which interest was payable under this section had been reduced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded.".

15. *Amendment of section* 223.—In section 223 of the Income-tax Act, in sub-section (2), the words "in a district" shall be, and shall be deemed always to have been, omitted.

16. *Amendment of section* 233.—In section 233 of the Income-tax Act, for the words and figures "assessment made under section 143 or 144", the words and figures "assessment made under section 143 or section 144" shall be substituted.

17. *Amendment of section* 271.—In section 271 of the Income-tax Act, in sub-section (1), in clause (a), the word "his" occurring before the words "total income" shall be omitted.

18. *Amendment of section* 291.—In section 291 of the Income-tax Act, in sub-section (1), after the words "the evasion of payment of tax on income", the words "it is necessary or expedient so to do" shall be inserted.

19. *Amendment of section* 297.—In section 297 of the Income-tax Act, in sub-section (2), in clause (e), before the words, figures and letter "section 23A of the repealed Act", the words, brackets and letters "subject to the provisions of clause (g) and clause (j) of this sub-section" shall be, and shall be deemed always to have been, inserted.

20. *Amendment of the Second Schedule.*—In the Second Schedule to the Income-tax Act,—

(1) in Part I, after rule 19, the following rule shall be, and shall be deemed always to have been, inserted, namely:—

Entrustment of certain functions by Collector or additional Collector. "19A. A Tax Recovery Officer, being a Collector or an additional Collector, may, subject to the approval of the State Government, entrust any of his functions as Tax Recovery Officer to any other officer lower than him in rank who is empowered

to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State and such officer shall, in relation to functions so entrusted to him, be deemed to be a Tax Recovery Officer.";

(2) in rule 86, for sub-rule (1), the following sub-rule shall be, and shall be deemed always to have been, substituted namely:—

"(1) An appeal from any original order passed by the Tax Recovery Officer under this Schedule, not being an order which is conclusive, shall lie—

(a) in the case of a Tax Recovery Officer, being Collector or an additional Collector or an officer referred to in sub-clause (iii) of clause (44) of section 2, to the revenue authority to which appeals ordinarily lie against the orders of a Collector under the law relating to land revenue of the State concerned; and

(b) in any other case, to the revenue authority to which an appeal or an application for revision would ordinarily lie, if the order passed by him were the order under the law relating to land revenue or other public demand for the time being in force in the State concerned.".

21. *Amendment of Act* 27 *of* 1957.—In section 5 of the Wealth-tax Act, 1957),—

(1) in sub-section (1)—

(a) clause (xv) shall be omitted;

(b) in clause (xvi), for the words "twelve year national plan savings certificates held by the assessee", the words "twelve year national plan savings certificates, ten year defence deposit certificates and twelve year national defence certificates held by the assessee, to the extent to which the amount of such certificates or deposits do not exceed in each case the maximum amount permitted to be invested or deposited therein" shall be substituted;

(2) to sub-section (3), the following proviso shall be added, namely:—

"Provided that for the purpose of making any assessment for the financial year commencing on the 1st day of April, 1963, the provisions of clause (b) shall not apply to ten year defence deposit certificates and twelve year national defence certificates held by the assessee on the relevant valuation data.".

22. *Amendment of Act* 32 *of* 1934.—In the Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act),—

(1) in section 2A,—

(i) in sub-section (1),—

(a) after the words 'manufactured in India" occurring before the Explanation, the following shall be inserted, namely :—

"and if such excise duty on a like article is leviable at any percentage of its value, the customs duty to which the imported article shall be so liable shall be calculated at that percentage of the value of the imported article.";

(b) in the Explanation, for the words, "In this sub-section", the words, brackets, figure and letter "In this sub-section and sub-section (1A)" shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) For the purpose of calculating under this section the customs duty on any imported article equal to the excise duty for the time being leviable on a like article, if produced or manufactured in India, where such excise duty is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962 (52 of 1962.) be the aggregate of—

(i) the value of the imported article as calculated under the said section 14;

(ii) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962 (52 of 1962.) other than the duty referred to in sub-section (1); and

(iii) any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs.";

(2) the First Schedule shall be amended in the manner specified in the Second Schedule to this Act.

23. *Surcharge on duties of customs.*—(1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 10 per cent. of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 24 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897.) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

24. *Regulatory duty of customs.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs which shall be—

(a) twenty-five per cent. of the rate, if any, specified in the said First Schedule read with any notification issued under section 3A or sub-section (1) of section 4 of the Tariff Act; or

(b) ten per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962, (52 of 1962).

whichever is higher:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962 (52 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

25. *Amendment of Act* 1 *of* 1949.—In the Indian Tariff ,Amendment) Act, 1949, in sections 4 and 5, for the figures "1963", the figures "1964" shall be substituted.

26. *Amendment of Act* 1 *of* 1944.—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(a) in Item No. 4,—

(1) under "I. Unmanufactured tobacco—"—

for the entry in the third column against sub-item (5), the entry "One rupee and sixty naya paise" shall be substituted;

(2) under "II. Manufactured tobacco—"—

for the entries in the third column against sub-items (2) (i), (2) (ii), (2) (iii), (2) (iv) and (2) (v), the entries "Thirty-four rupees", "Seventeen rupees", "Eight rupees and fifty naye paise", "Four rupees and twenty naye paise" and "Two rupees" shall, respectively, be substituted;

(b) in Item No. 6, for the entry in the third column, the entry "Four hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(c) in Item No. 7, for the entry in the third column, the entry "Two hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(d) in Item No. 8, for the entries in the third column against sub-items (a) and (b), the entries "Three hundred and ninety rupees per kilolitre at fifteen degrees of Centigrade thermometer" and "Three hundred and seventy rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall, respectively, be substituted;

(e) in Item No. 9, for the entry in the third column, the entry "One hundred and ninety-five rupees per metric tonne" shall be substituted;

(f) in Item No. 13, for the entry in the third column, the entry "Thirty-two rupees per quintal" shall be substituted;

(g) in Item No. 14,—

(1) in sub-item I (4) (ii), the words "and ready mixed paints, sold by weight" occurring in the second column shall be omitted;

(2) in sub-item I (4) (iii), the words "sold by volume" occurring in the second column shall be omitted;

(3) for the entries in the third column against sub-items I (1) (ii), I (3) (ii), I (3) (iv), I (4) (i), I (4) (ii), I (4) (iii), II (i) and III (i), the entries "Seventy-five naye paise per kilogram", "Thirty rupees and fifty naye paise per quintal", "One rupee and five naye paise per litre", "Seventy-five naye paise per kilogram", "Nineteen rupees and fifty naye paise per quintal", "Sixty-five naye paise per litre", "Thirty-five naye paise per litre" and "One rupee and fifty naye paise per litre" shall, respectively, be substituted;

(h) in Item No. 15, for the entries in the third column against sub-items I (1) (i), I (1) (ii), I (2), I (3), II (i) and II (ii), the entries "Fifteen rupees and fifty naye paise per quintal", "Eighteen rupees per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirteen rupees and twenty-five naye paise per quintal" and "Fifteen rupees and fifty naye paise per quintal" shall, respectively, be substituted;

(i) in Item No. 17, for the entry in the third column against sub-item (5), the entry "Thitry-five naye paise per kilogram" shall be substituted:

(j) in Item No. 26A, for the entries in the third column against sub-items (1) and (2), the entries "Three hundred rupees per metric tonne" and 'Five hundred rupees per metric tonne" shall, respectively, be substituted;

(k) in Item No. 26AA, sub-item (i) shall be renumbered as (ia) thereof and before the sub-item (ia) as so renumbered, the following sub-item shall be inserted, namely:—

"(i) Semifinished steel including blooms, billets, slabs, sheet bars, tin bars and hoe bars	Thirty rupees per metric tonne plus theexcise duty for the time being leviable on steel ingots.".

27. *Special duty of excise on certain goods.*—(1) When goods of the description mentioned in this section chargeable with a duty of excise under the First Schedule to the Central Excises Act, as amended by this Act or any subsequent Act of Parliament or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall be levied and collected—

(a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 17(3), 22A, 23A except sub-item (1) thereof, 23B, 28, 29, 31 except sub-item (1) thereof and 32 of that Schedule, a special duty of excise equal to 10 per cent. of the total amount so chargeable on such goods;

(b) as respects goods comprised in Items Nos. 2, 3(1), sub-items I, II(2) and II(3) of Item No. 4, Items Nos. 13, 14, 14F, 15, 15A, 15B, 16, 16A, 17 except sub-item (3) thereof, 18A(2), 21, 22, 23, 23A(1), 27,

30, 31 (1), 33, sub-items (1) and (4) of Item No. 34 and 37 of that Schedule, a special duty of excise equal to 20 per cent. of the total amount so chargeable on such goods; and

(c) as respects goods comprised in Items Nos. 4 II(1), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to 33⅓ per cent. of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

28. *Regulatory duty of excise.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of excise which shall be ten per cent. of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from

duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

29. *Discontinuance of salt duty.*—For the year beginning on the first day of April, 1963, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

30. *Amendment of Act 16 of 1955.*—In the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955,—

(a) in Item No. 1, in the column relating to "Rate of duty", for the words "Ten per cent. *ad valorem*", the words "Rupee one and ten naye paise per litre of the strength of London proof spirit or ten per cent. *ad valorem*, whichever is higher" shall be substituted;

(b) in Item No. 2—

(1) in the column relating to "Description of dutiable goods", the words "which are prepared by distillation or to which alcohol has been added, and" shall be omitted;

(2) in the column relating to "Rate of duty", the words "or ten per cent. *ad valorem*, whichever is higher" shall be inserted at the end;

(c) in Item No. 3, after sub-item (ii), the following item shall be inserted, namely:—

"(*iia*) Ayurvedic preparations containing alcohol, which are prepared by distillation or to which alcohol has been added, and which are capable of being consumed as ordinary alcoholic beverages.	Rupees fifteen and fifty naye paise per of the strength of London proof spirit";

(d) in Item No. 6, in the column relating to "Rate of duty", for the words "Twenty-five per cent. *ad valorem*", the words "Rupees three and eighty-five naye paise per litre of the strength of London proof spirit or twenty-five per cent. *ad valorem*, whichever is higher" shall be substituted.

31. *Amendment of Act 6 of 1898.*—For the First Schedule to the Indian Post Office Act, 1898, the following Schedule shall be substituted, namely:—

"THE FIRST SCHEDULE

INLAND POSTAGE RATES

(*See* section 7)

Letters

For a weight not exceeding fifteen grams	15 naye paise.
For every fifteen grams, or fraction thereof, exceeding fifteen grams .	10 naye paise.

Letters-cards

For a letter-card	10 naye paise.

Post cards

Single	6 naye paise.
Reply	12 naye paise.

Book, Pattern and Sample packets

For the first grams or fraction thereof	10 naye paise.
For every additional twenty-five grams or fraction thereof, in excess of fifty grams	5 naye paise.

Registered Newspapers

For a weight not exceeding one of hundred grams	2 naye paise.
For a weight exceeding one hundred grams and not exceeding two hundred grams	3 naye paise.
For every two hundred grams, or fraction thereof, exceeding two hundred grams	3 naye paise.
In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—	
for a weight not exceeding one hundred grams	3 naye paise.
for every additional fifty grams, or fraction thereof, in excess of one hundred grams	2 naye paise.
Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office.	

Parcels

For a weight not exceeding four hundred grams	60 naye paise.
For every four hundred grams, or fraction thereof, exceeding four hundred grams	60 naye paise.''.

Declaration under the Provisional Collection of Taxes Act, 1931

It is hereby declared that it is expedient in the public interest that the provisions of clauses 22, 23, 25, 26, 27 and 30 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931 (16 of 1931).

THE FIRST SCHEDULE

(*See* section 2)

PART I

Income-tax and surcharges on income tax

Paragraph A

(i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

	Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener	
	Rs.	Rs.	Rs.	
(1) On the first	3,000 of total income	3,300 of total income	3,600 of total income	*Nil*
(2) On the next	2,000 ,,	1,700 ,,	1,400 ,,	3%
(3) On the next	2,500 ,,	2,500 ,,	2,500 ,,	7%
(4) On the next	2,500 ,,	2,500 ,,	2,500 ,,	10%
(5) On the next	2,500 ,,	2,500 ,,	2,500 ,,	12%
(6) On the next	2,500 ,,	2,500 ,,	2,500 ,,	15%
(7) On the next	2,500 ,,	2,500 ,,	2,500 ,,	20%
(8) On the next	2,500 ,,	2,500 ,,	2,500 ,,	23%

(ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies:—

I	Rs.	
(1) On the first	1,000 of total income	*Nil*
(2) On the next	4,000 ,,	3%
(3) On the next	2,500 ,,	7%
(4) On the next	2,500 ,,	10%
(5) On the next	2,500 ,,	12%
(6) On the next	2,500 ,,	15%
(7) On the next	2,500 ,,	20%
(8) On the next	2,500 ,,	23%
(9) On the balance of total income		25%

Provided that for the purposes of this Paragraph—

(i) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(a) the income-tax which would have been payable if the total income had been Rs. 20,000;

(b) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,000 in every other case.

Surcharges on income-tax

The amount of income-tax computed at the rates hereinafter specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) a surcharge for purposes of the Union equal to the sum of—

(i) two and a half per cent. of the amount of income-tax calculated at the average rate of income-tax on the income under the head "Salaries" included in the total income;

(ii) five per cent. of the amount of income-tax calculated at the average rate of income-tax on the total income as reduced by the income under the head "Salaries" included therein; and

(iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(b) a special surcharge at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income:

Provided that the surcharge for purposes of the Union and the special surcharge, both together, shall not exceed half the amount by which the total income as reduced by the amount of income-tax payable by the assessee exceeds the limit specified below:—

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,000 in every other case;

(c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the following rates, namely:—

(*i*) On the first Rs. 6,000 of the residual income	4%
(*ii*) On the next Rs. 9,000 of the residual income	6%
(*iii*) On the next Rs. 12,000 of the residual income	8%
(*iv*) On the next Rs. 15,000 of the residual income	9%
(*v*) On the balance if the residual income	10%

Provided that—

(i) no additional surchage shall be levied where the residual income does not exceed the limit specified below;

(ii) the additional surcharge shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at three per cent. on so much of the amount of residual income as does not exceed the limit specified below;

(b) one-half of the amount by which the residual income exceeds the limit specified below.

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,600 in the case of every individual who has more than one child wholly or mainly dependent on him or in the case of every Hindu undivided family having more than one minor coparcener;

(iii) Rs. 3,300 in the case of every individual who has one child wholly or mainly dependent on him or in the case of every Hindu undivided family having one minor coparcener;

(iv) Rs. 3,000 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the *Mitakshara* law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father or grandfather notwithstanding any custom to the contrary.

Paragraph B

In the case of every local authority,—

Rate of income-tax

On the whole of the total income ... 30%

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of five per cent. of the amount of income-tax.

Paragraph C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income 25%

Surcharges on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) a surcharge for purposes of the Union of five per cent. of the amount of income-tax;

(b) a special surcharge of fifteen per cent. of the amount of income-tax; and

(c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the rates as specified in Paragraph A of this Part.

Paragraph D

In the case of every company,—

Rate of income-tax

On the whole of the total income 25%

Paragraph E

In the case of every registered firm,—

Rates of income-tax

	Where the firm has four or less partners as on the last day of the previous year	Where the firm has five or more partners as on the last day of the previous year
(1) On the first Rs. 25,000 of total income .	*Nil*	*Nil*
(2) On the next Rs. 15,000 of total income .	5%	7%
(3) On the next Rs. 20,000 of total income .	6%	8%
(4) On the next Rs. 40,000 of total income	7%	9%
(5) On the next Rs. 50,000 of total income .	8%	10%
(6) On the balance of total income . . .	10%	12%

Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of twenty per cent. of the amount of income-tax.

PART II

Super-tax and surcharges on super-tax

Paragraph A

In the case of every individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1) On the first Rs. 20,000 of total income	*Nil*
(2) On the next Rs. 5,000 of total income	8%
(3) On the next Rs. 5,000 of total income	18%
(4) On the next Rs. 10,000 of total income	22%
(5) On the next Rs. 10,000 of total income	32%
(6) On the next Rs. 10,000 of total income	40%
(7) On the next Rs. 10,000 of total income	45%
(8) On the balance of total income	47·5%

Surcharges on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) A surcharge for purposes of the Union equal to the sum of—

(i) two and a half per cent of the amount of super-tax calculated at the average rate of super-tax on the income under the head "Salaries" included in the total income;

(ii) five per cent. of the amount of super-tax calculated at the average rate of super-tax on the total income as reduced by the income under the head "Salaries" included therein; and

(iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income.

Paragraph B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income 16%

Surcharge on super-tax

The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income Nil

(2) On the balance of total income 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph D

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956).

Rates of super-tax

On the whole of the total income 55%:

Provided that—

(i) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from any Indian company; and at the rate of 35 per cent. on the balance of the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1963, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits in accordance with the provisions of section 194 of that Act; and

(b) is such a company as is referred to in section 108 of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before the 1st day of April, 1961; at the rate of 45 per cent. on so much of the total income as consists of dividends from any other Indian company; and at the rate of 30 per cent. on the balance of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b) of the preceding clause;

(iii) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before the 1st day of April, 1961; at the rate of 30 per cent. on so much of the total income as consists of dividends from an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959; at the rate of 45 per cent. on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April, 1959; at the rate of 30 per cent. on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government; and at the rate of 17 per cent. on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that—

(i) the amount of the rebate under clause (i) or clause (ii) of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

(*a*) on the aggregate of the sums computed in the manner provided in clause (*i*) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance (No. 2) Act, 1962 (20 of 1962) as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (*ii*) of the said proviso, for the purpose of reducing the rebate mentioned in clause (*i*) of the said proviso to *nil* ; and	at the rate of 100%

(*b*) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital ; at the rate of 12½%

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a) and (b) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to *nil* shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand; and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation I.—For the purposes of this Paragraph, where any portion of the profits and gains of a company is not included in its total income by reason of such portion being agricultural income, the amount representing the face value of any bonus shares and the amount of any bonus issued to its shareholders shall each be deemed to be such proportion thereof as the average of the total income of the company in the five previous years in which the company has been in receipt of taxable income immediately preceding the relevant previous year bears to the average of its total profits and gains (excluding capital receipts) for the preceding five years aforesaid, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss acccounts for the preceding five years aforesaid.

Explanation II.—For the purposes of this Paragraph and Part III of the Schedule, a company shall be deemed to be a subsidiary of another company if that other company holds more than half in nominal value of the equity share capital of the first mentioned company.

Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, (31 of 1956).

Rate of super-tax

On the whole of its profits and gains from life insurance business 25%

PART III

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act, tax is to be

deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

	Income-tax			Super-tax	
	Rate of income-tax	Rates of surcharges		Rate of super-tax	Rates of surcharges
		Surcharge for purposes of the Union	Special surcharge		
1. In the case of a person other than a company—					
(*a*) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government), and	25%	1·25%	3·75%		
(*b*) in addition, where the person is non-resident in India, on the whole income.				Super-tax and surcharges on super-tax in accordance with the provisions of clause (*b*) of sub-section (1) of section 113 of the Income-tax Act.	

	Rate of income-tax	Rate of super-tax
2. In the case of a company—		
(*a*) in every case—		
(*i*) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government); and . . .	25 %	
(*ii*) on the whole income (excluding dividends payable by an Indian company referred to in clause (*iv*) of sub-section (1) of section 99 of the Income-tax Act; and		5%
(*b*) in addition, where the company is neither an Indian company nor a company which has made the prescribed arrangements, for the declaration and payment of dividends within India,—		
(*i*) on the income from dividends (excluding dividends payable by an Indian company referred to in clause (*iv*) of sub-section (1) of section 99 of the Income-tax Act)—		
(1) on dividends payable by any of its subsidiary Indian companies formed and registered before the 1st day of April, 1961		*Nil*

	Rate of income-tax	Rate of super-tax
(2) on dividends payable by an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959 . . .		20%
(3) on dividends payable by any other Indian company formed and registered on or after the 1st day of April, 1959		5%
(*ii*) on the income from royalities payable by an Indian concern in purnance of an agreement which is made by it with the Indian concern on or after the Ist day of April, 1961 and which has been approved by the Central Government		20%
(*iii*) on any other income		33%

THE SECOND SCHEDULE

[*See* section 22(2)]

In the First Schedule to the Tariff Act,—

(i) in Item No. 24, for the entry in the fourth column, the entry "Rs. 60·00 per kilogram" shall be substituted;

(ii) in Item No. 24(3), for the entry in the fourth column and the entry in the sixth column, the entry "Rs. 50·00 per kilogram" shall be substituted;

(iii) in Item No. 28A, for the entry in the second column, the following entry shall be substituted, namely:—

"Patent or proprietary medicines not containing alcohol, opium, Indian hemp or other narcotic drugs or other narcotics other than those medicines which are exclusively Ayurvedic, Unani, Sidha or Homoeopathic.

Explanation.—'Patent or proprietary medicines' means any drug or medicinal preparation, in whatever form, for use in the internal or external treatment of, or for the prevention of ailments in, human beings or animals, which bears either on itself or on its container or both, a name which is not specified in a monograph in a Pharmacopoeia, Formulary or other publications notified in this behalf by the Central Government in the Official Gazette, or which is a brand name, that is, a name or a registered trade mark under the Trade, and Merchandise Marks Act, 1958 (43 of 1958), or any mark such as a symbol, monogram, label, signature or invented words or any writing which is used in relation to that medicine for the purpose of indicating or so as to indicate a connection in the course of trade between the medicine and some person having the right either as proprietor or otherwise to use the name or mark with or without any indication of the identity of that person.";

(iv) in Item No. 29, for the entry in the fourth column, the entry "Rs. 12·00 per 100 linear metres" shall be substituted;

(v) in Item Nos, 30, 73, 73(1), 77 and 77(5), for the entries against each of them in the fourth and fifth columns, the entries "60 per

cent. *ad valorem*" and "50 per cent. *ad valorem*" shall, respectively, be substituted;

(vi) in Item No. 30(1), for the entries in the fourth column against sub-items (a), (b)(i) and (b)(ii), the entry "50 per cent. *ad valorem*" shall be substituted;

(vii) in Item No. 39, for the entry in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(viii) in Items No. 63(1), 63(20A) and 63(35), for the entry against each of them in the fourth column, the entry "30 per cent *ad valorem*" shall be substituted;

(ix) in Item No. 63(2),—

(1) for the entry in the fourth column against sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 22·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*.";

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

"Rs. 64·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(x) in Item No. 63(3),—

(1) for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

"Rs. 31·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne or 20 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(xi) in Item No. 63(9), for the entry in the fourth column, the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 10 per cent. *ad valorem*";

(xii) in Item No. 63(10),—

(1) for the entry in the fourth column against sub-item (i), the entry "Rs. 80·00 per tonne *plus* 5 per cent. *ad valorem*" shall be substituted;

(2) for the entry in the fourth column against sub-item (ii), the entry "Rs. 100·00 per tonne *plus* 5 per cent. *ad valorem*" shall be substituted;

(xiii) in Item No. 63(2), in the entry in the second column, for the words "Item or steel bolts and nuts", the words "Iron or steel bolts and nuts, not otherwise specified," shall be substituted;

(xiv) in Item No. 63(14A), for the figures "50" and "40" in the fourth and fifth columns, the figures "55" and "45" shall, respectively, be substituted;

(xv) in Item No. 63(17), for the words and figure "*plus* 5 per cent. *ad valorem*" in the entry against each of the sub-items (i) and (ii) in the fourth column, the words and figures "*plus* 10 per cent. *ad valorem*" shall be substituted;

(xvi) in Item No. 63(18), for the figures "20" and "40" in the fourth column against sub-items (a) and (b), the figures "25" and "45" shall, respectively, be substituted;

(xvii) in Item No. 63(19),—

(1) for the entry in the fourth column against sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 15·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

"Rs. 40·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(xviii) in Item No. 63(20),—

(1) for the entry in the fourth column against sub-item (a) (1)(i), the following entry shall be substituted, namely:—

"Rs. 29·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (a) (1)(ii), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (a) (2)(i), the following entry shall be substituted, namely:—

"Rs. 30·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(4) for the entry in the fourth column against sub-item (a) (2)(ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(5) for the entry in the fourth column against sub-item (b) (1)(i), the following entry shall be substituted, namely:—

"Rs. 32·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(6) for the entry in the fourth column against sub-item (b) (1)(ii), the following entry shall be substituted, namely:—

"Rs. 55·00 per tonne *plus* 5 per cent. *ad valorem*".

(7) for the entry in the fourth column against sub-item (b)

(2)(i), the following entry shall be substituted, namely:—

"Rs. 32·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(8) for the entry in the fourth column against sub-item (b) (2)(ii), the following entry shall be substituted, namely:—

"Rs. 64·00 per tonne *plus* 5 per cent. *ad valorem*";

(xix) in Item No. 63(21)A,—

(1) for the entry in the fourth column against sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 10·00 per tonne or 15 per cent. *ad valorem*, whichever is higher";

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

"Rs. 10·00 per tonne of 25 per cent. *ad valorem*, whichever is higher";

(3) for the entry in the fourth column against sub-item (b) (i), the following entry shall be substituted, namely:—

"Rs. 31·00 per tonne or 10 per cent. *ad valorem*, whichever is higher";

(4) for the entry in the fourth column against sub-item (b) (ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(xx) in Item No. 63(24), for the figures "55" and "45" in the fourth and fifth columns, the figures "60" and "50" shall, respectively, be substituted;

(xxi) in Item No. 63(25),—

(1) for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

'30. per cent. *ad valorem.*";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"30. per cent. *ad valorem plus* Rs. 35·00 per tonne";

(xxii) in Item No. 63(28), for the figures "55" in the fourth column, the figures "60" shall be substituted;

(xxiii) in Item No. 63(31),—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 29·00 per tonne or 10 per cent. *ad valorem*, which ever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(xxiv) in Item No. 63(32),—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 84·00 per tonne *plus* 5 per cent. *ad valorem*";

(xxv) in Item No. 71,—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"60 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"100 per cent. *ad valorem*";

(xxvi) in Items Nos. 72, 72(1), 72(2) and 72(3), for the entry against each of them in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(xxvii) in Item No. 75, for the figures "35" in the fourth column, the figures "50" shall be substituted;

(xxviii) in Items Nos. 75(11) and 75(12), for the figures "25" against each of them in the fourth column, the figures "50" shall be substituted; and

(xxix) in Item No. 87, for the figures "50" in the fourth column, the figures "60" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to give effect to the financial proposals of the Central Government for the financial year 1963-64 and to provide for certain connected matters. The Notes on Clauses explain the various provisions contained in the Bill.

NEW DELHI;

The 28th February, 1963.

MORARJI DESAI.

Notes on Clauses

Clause 2 prescribes the rates of income-tax and super-tax for assessments for the assessment year 1963-64 and for deduction of tax at source from salaries, interest on securities, dividends, etc., during the said financial year. In the case of individuals, Hindu undivided families, unregistered firms etc., the slab structure and the basic rates of income-tax and super-tax remain the same as for the assessment year 1962-63. In regard to surcharges on income-tax it is proposed to levy an additional surcharge for purposes of the Union calculated on the residual income of the assessee, *viz.*, the total income as reduced by capital gains, if any, and the income-tax and super-tax chargeable on the reduced total income. In arriving at the residual income, the tax to be deducted therefrom will be calculated without reducing it by any relief, rebate or deduction of tax to which the assessee might be entitled. The rates fixed for the additional surcharge rise progressively from four per cent. to ten per cent. on successive slabs of residual income. The rates of the other existing surcharges of income-tax and super-tax, *viz.*, the surcharge for purposes of the Union and the special surcharge remain the same as before, but in regard to these surcharges on income-tax, the existing exemption limits of Rs. 15,000 for certain Hindu undivided families and of Rs. 7,500 for individuals, unregistered firms, etc. have been removed.

In the case of registered firms the slab structure and rates of income-tax remain the same as before, but it is proposed to levy a surcharge for purposes of the Union at twenty per cent. of the income-tax payable by them.

In the case of companies, the rates of income-tax and the effective rates of super-tax remain the same as for the year 1962-63.

The existing rebate of one-tenth of the income-tax and super-tax attributable to income derived from exports out of India, admissible to all assessees other than foreign companies which have not made the prescribed arrangement for the declaration and payment of dividends within India, is being continued. In addition to this, a provision has been made for allowing a further rebate of tax to a manufacturer who, after the 28th February, 1963, himself exports, or where the first purchaser from him exports any articles produced by him in any of the industries listed in the First Schedule to the Industries (Development and Regulation) Act, 1951 except for certain specified industries like textiles, sugar, cement, etc. and any other industry which might be excluded hereafter. The additional rebate of tax will be calculated on an amount equal to 2 per cent. of the sale proceeds received by manufacturers. These tax rebates will, cumulatively, be subject to the limit of the income-tax and super-tax otherwise payable by the assessee.

Clause 3 provides that the additional surcharge for purposes of the Union shall not be taken into account in calculating the amount of any relief, rebate or deduction of income-tax admissible to the assessee under any provision of the law.

Clause 4 substitutes the existing definition of the term "Tax Recovery Officer" by a revised definition. The revised definition brings under the category of 'Tax Recovery Officer', any officer of the State Government empowered to recover arrears of land revenue or other public demand, who has been authorised by the State Government by a general or special notification in the Official Gazette to exercise the powers of a Tax Recovery Officer.

Clause 5 amends clause (b) of section 13 of the Income-tax Act. The amendment is of a clarificatory nature.

Clause 6 introduces a new sub-clause (iii) in clause (c) of section 40 of the Income-tax Act. The effect of this will be that with effect from the assessment year 1963-64, any expenditure incurred by a company for any period after the 28th Feburary, 1963, on payment of remuneration including the value of perquisities, to the extent it is in excess of Rs. 5,000 per month 1or each employee, shall be disallowed in computing the company's total income. Any payment of gratuity, etc. will, however, not be taken into account in computing the aforesaid expenditure.

Clause 7 amends clause (b) of section 58 of the Income-tax Act. This amendment is consequential to the amendment in clause 6.

Clause 8 amends sub-clause (iii) (b) of the proviso to sub-section (1) of section 139 of the Income-tax Act and introduces two new sub-sections (1A) and (8) in the said section.

The effect of these amendments is to provide that the interest payable on account of delay in submission of returns will be calculated on the amount of the tax payable on the total income as assessed by the Income-tax Officer but if the income assessed is subsequently reduced as a result of any order of rectification or an order on appeal, reference or revision, the amount of the interest shall be consequentially reduced and the excess interest paid, if any, shall be refunded. Further, the Income-tax Officer will be enabled to reduce or waive the interest charged for delay in submission of returns in such circumstances as may be prescribed.

Clause 9 introduces a new section 141A in the Income-tax Act. The effect of this is to provide that (i) where an assessee pays the tax demanded from him on a regular or provisional assessment, or where no such assessment has been made but he pays the tax due from him on the basis of the total income declared in the return filed by him before the 1st day of January of the relevant assessment year, a sum equal to one per cent. of the tax so paid shall be credited to him; and (ii) if the assessee does not file his return of total income by the 31st December of the relevant assessment year, or having filed the return does not pay the tax due on the basis of such return by that date, he shall be liable to pay interest on the amount of the tax payable by him at two per cent. per annum calculated from the 1st day of January of the relevant assessment or a regular assessment is made on him, whichever is earlier.

Clause 10 amends section 146 of the Income-tax Act. The amendment is of a drafting nature.

Clause 11 introduces a new sub-clause (d) in section 209 of the Income-tax Act. This amendment is consequential to the amendment made by clause 12.

Clause 12 substitutes sub-section (3) of section 210 of the Income-tax Act by a revised sub-section. This introduces a new provision enabling the Income-tax Officer to revise an earlier order for payment of advance tax based on the last completed regular assessment of the assessee on the basis of the total income determined in a provisional assessment of the assessee for a later year. The proviso to the existing sub-section (3) has been omitted.

Clause 13 substitutes sub-section (2) of section 215 of the Income -tax Act by a revised sub-section. The amendment made is consequential to the amendment made by clause 9.

Clause 14 adds a proviso to sub-section (2) of section 220 of the Income-tax Act. This provides that where the tax payable by an assessee has been reduced as a result of any order of rectification of the assessment or an order on appeal, reference or revision, the interest payable by the assessee for failure to pay the tax in due time shall be consequentially reduced and the excess amount paid, if any, shall be refunded.

Clause 15 amends sub-section (2) of section 223 of the Income-tax Act. The effect of this will be that a Tax Recovery Officer to whom the Income-tax Officer has sent a certificate for the recovery of arrear tax due from a defaulter will be enabled to forward the certificate to any other Tax Recovery Officer in the same or any other district if the defaulter's property is situated within the jurisdiction of the latter.

Clause 16 amends section 233 of the Income-tax Act. This is an amendment of a drafting nature.

Clause 17 amends clause (a) of sub-section (1) of section 271 of the Income-tax Act. This is an amendment of a drafting nature.

Clause 18 amends sub-section (1) of section 291 of the Income-tax Act. This is an amendment of a drafting nature.

Clause 19 amends clause (e) of sub-section (2) of section 297 of the Income-tax Act. This is a clarificatory amendment.

Cluse 20.—Sub-clause (1) of this clause introduces a new Rule 19A in the Second Schedule to the Income-tax Act. This enables a Tax Recovery Officer, being a Collector or an additional Collector, subject to the approval of the State Government, to entrust any of his functions as Tax Recovery Officer to any officer lower to him in rank who is empowered to effect recovery of land revenue or other public demand under the law for the time being in force in the State. The officer to whom any such functions have been entrusted shall be deemed to be a Tax Recovery Officer in relation to those functions.

Sub-clause (2) substitutes sub-rule (1) of Rule 86 of the Second Schedule by a revised sub-rule. The new provision in it is that an appeal against an order passed by an official of the State Government who has been entrusted with any functions of a Tax Recovery Officer under the new Rule 19A of the Second Schedule aforesaid will lie to the revenue authority to which an appeal or an application for revision against his orders would lie under the law of the State Government concerned relating to land revenue or recovery of public demand.

Clause 21.—Sub-clause (1) (a) omits clause (xv) of sub-section (1) of section 5 of the Wealth-tax Act. As a result of this the existing exemption from wealth-tax on the value of jewellery to the extent of Rs. 25,000 will cease to be operative with effect from the assessment year 1963-64.

Sub-clause (1) (b) amends clause (xvi) of sub-section (1) of section 5 of the Wealth-tax Act, to include amongst the Government securities in respect of which assessees are exempted from wealth-tax, Ten Year Defence Deposit Certificates and Twelve Year National Defence Certificates which have been issued in November, 1962 in replacement of the Twelve Year National Plan Savings Certificates.

Sub-clause (2) adds a proviso to sub-section (3) of section 5 of the wealth-tax. This provides that for the purposes of an assessment to wealth-tax for the assessment year 1963-64 an assessee will be entitled to

exemption on the value of Ten Year Defence Deposit Certificates and Twelve Year National Defence Certificates even though such certificates might have been held by him for a period of less than six months prior to the relevant valuation date.

Sub-clause (1) of Clause 22 seeks to amend section 2A of the Indian Tariff Act to effect a revision of the basis for the levy of countervailing duty, where the excise duty is *ad valorem,* so as to include in the value for calculation of countervailing duty all import duties chargeable on the imported article except the countervailing duty itself.

Sub-clause (2) of Clause 22, read with the Second Schedule, seeks to increase the basic import duties on certain items. The changes are:—

(i) the duty on tobacco, manufactured and unmanufactured, is proposed to be increased by approximately 50% of the existing levels;

(ii) the duty on cinematograph films, not exposed, is proposed to be raised from Rs. 6·60 per 100 linear metres to Rs. 12·00 per 100 linear metres;

(iii) the duty on paints, colours and painters' materials, all sorts, not otherwise specified, is proposed to be raised from 50% (standard) and 40% (preferential) to 60% (standard) and 50% (preferential);

(iv) the duty on certain coal-tar dyes is proposed to be raised from 20% to 50%;

(v) the duty on raw rubber is proposed to be raised from 10% to 20%;

(vi) the duty on certain iron and steel items is proposed to be raised by 5%. The main items affected by the increase are plates and sheets, tinplates, rails, wire, rods and bars, structures and structurals and manufactures not otherwise specified;

(vii) the duty on tools other than machine tools and agricultural implements is proposed to be raised from 50% to 60% and on hardware from 75% to 100%;

(viii) the duty on certain items of machinery and their component parts is proposed to be raised from 15% to 20%;

(ix) the duty on electrical as well as certain non-electrical instruments, apparatus and appliances is proposed to be raised from 50% (standard) and 40% (preferential) to 60% (standard) and 50% (preferential);

(x) the duty on conveyances, not otherwise specified, is proposed to be raised from 35% to 50%;

(xi) the duty on certain motor vehicle parts is proposed to be raised from 25% to 50%;

(xii) the duty on the residuary tariff item "All other articles not otherwise specified" is proposed to be raised from 50% to 60%; and

(xiii) the descriptions in Item No. 28A relating to Patent or proprietary medicines and Item No. 63(12) relating to Iron or Steel bolts and nuts are proposed to be altered as a measure of rationalisation.

Clause 23 seeks to provide for the levy upto the 31st day of March, 1964, of an additional duty of 10% of the basic duty chargeable for the time being on all items in the Import Schedule.

Clause 24 proposes to levy upto the 31st day of March, 1964, a regulatory duty of customs, at the rate of 25% of the rate specified in the Import Schedule (read with any modifications made by notification in the case of protective duties) or 10% of the value of the goods, whichever is higher. The intention is to regulate the quantity of goods imported. The date from which such levy in respect of any goods will be effective will be notified by the Central Government.

Clause 25 seeks to maintain for another year the *status quo* in regard to commitments under the General Agreement on Tariffs and Trade.

Clause 26—

Sub-clause (a) (1) seeks to increase the rate of duty on tobacco other than flue-cured and not actually used for the manufacture of cigarettes or smoking mixtures for pipes and cigarettes or biris.

Sub-clause (a) (2) seeks to increase the rates of duty on cigarettes.

Sub-clause (b) seeks to increase the rate of duty on motor spirit.

Sub-clause (c) seeks to raise the rate of duty on kerosene.

Sub-clause (d) proposes an increase in the rates of duty on refined diesel oils and vaporizing oil.

Sub-clause (e) seeks to increase the rate of duty on diesel oil, not otherwise specified.

Sub-clause (f) seeks to increase the rate of duty on vegetable product in replacement of the duty on vegetable non-essential oils used in its manufacture.

Sub-clauses (g) (1) and (g) (2), propose to introduce a single rate of duty for all ready-mixed paints, whether sold by weight or by volume.

Sub-clause (g) (3) seeks to increase the rates of duty on certain varieties of pigments, colours, paints, varnishes, blacks and cellulose lacquers which normally require vegetable non-essential oils in their manufacture.

Sub-clause (h) seeks to raise the rates of duty on soap in replacement of the duty on vegetable non-essential oils.

Sub-clause (i) seeks to increase the rate of duty on straw-board.

Sub-clause (j) seeks to raise the rates of duty on copper and copper alloys.

Sub-clause (k) seeks to introduce for purpose of simplification a new sub-item for semi-finished steel under Item No. 26AA relating to iron or steel products.

Clause 27 seeks to levy a special duty of excise upto the 31st day of March, 1964, on certain goods chargeable with a duty of excise under the Central Excises and Salt Act, 1944.

Clause 28 proposes to levy upto the 31st day of March, 1964, a regulator duty of excise, at the rate of 10% of the value of the goods.

The intention is to regulate the demand for such goods in the country. The date from which such levy in respect of any goods will be effective will be notified by the Central Government.

Clause 29 like section 4 of the Finance Act, 1962, provides that salt shall be duty free for another year.

Clause 30 seeks to amend the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act with a view to increasing the rates of duty on certain Ayurvedic preparations containing alcohol which are capable of being consumed as ordinary alcoholic beverages. The clause also seeks to make marginal adjustments on certain other items of the Schedule.

Clause 31 substitutes the existing Schedule by a new Schedule. The new Schedule seeks to increase the rate of postage—

(i) on postcards, single and reply, from 5 and 10 naye paise to 6 and 12 naye paise respectively;

(ii) on Book, Pattern and Sample Packets, under the various categories from 8 and 3 naye paise to 10 and 5 naye paise respectively, and

(iii) on parcels, under the various categories from 50 naye paise in each to 60 naye paise.

FINANCIAL MEMORANDUM

The Bill seeks to levy an additional surcharge of income-tax for purposes of the Union on individuals, Hindu undivided families, unregistered firms, etc. and provides for the grant of marginal relief to assessees at certain lower levels of residual income. It also seeks to introduce a new provision in the Income-tax Act for giving credit to assessees for a certain percentage of the tax paid by them if the payment is made within the prescribed period and for charging certain interest if they do not pay the tax due on the basis of their returns of income within the aforesaid period. The Bill also seeks to withdraw the exemption hitherto allowed to wealth-tax assessees on the value of jewellery to the extent of Rs. 25,000, which is likely to result in an increase in the number of wealth-tax assessees.

The aforesaid measures will involve extra work and necessitate employment of some additional staff. The expenditure on account of additional staff together with incidental expenses on administration is estimated at about Rs. 4 lakhs.

REQUIREMENT OF PERSONNEL AND FINANCE

	No.	Annual emoluments		Cost
1 *Officers*—				Rs.
Commissioner of Income-tax	1	1 × Rs.	20,400	20,400
Assisstant Commissioners	3	3 × Rs.	14,400	43,200
Income-tax Officers (Cl. I)	12	12 × Rs.	5,400	64,800

	No.	Annual emoluments	Cost
			Rs.
II. *Staff*—			
Inspectors	4	4 × Rs. 2,880	11,520
Supervisors	8	8 × Rs. 4,320	34,560
Headclerks	7	7 × Rs. 3,000	21,000
Stenographers	4	4 × Rs. 1,800	7,200
Upper division clerks	50	50 × Rs. 1,800	90,000
Stenotypists	12	12 × Rs. 1,680	20,160
Lower division clerks	18	18 × Rs. 1,500	27,000
III. *Incidental expenses*—			
Incidental expenses including Class IV Staff			50,000
TOTAL			3,89,840
or, say			3,90,000

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 2(5) (vi) provides for rules being made with respect to computation of amount of profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax is admissible under clause 2(5) (i). The rule making power is of a normal character.

LOK SABHA

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BILL

to give effect to the financial proposals of the Central Government for the financial year 1963-64.

The President has, in pursuance of clauses (1) and (3) of article 117 and clause (1) of article 274 of the Constitution of India, recommended to the Lok Sabha, the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(*Shri Morarji R. Desai,*
Minister of Finance.)

(CLAUSES REFERRED TO ARE CLAUSES IN THE BILL).

INCOME-TAX AND SUPER-TAX

I. *Rates for the assessment year* 1963-64 *on incomes other than capital gains*

1. *Assessees other than companies*

(a) *Individuals, Hindu undivided families, unregistered firms and associations of persons etc.*

(i) *Income-tax and super-tax*:—No change is proposed to be made in the existing rates of income-tax and super-tax.

(ii) *Surcharges on income-tax.*—The existing surcharges for purposes of the Union and the special surcharge are proposed to be continued at the rates applicable for the assessment year 1962-63. However, the total income limits of Rs. 15,000 in the case of Hindu undivided families which satisfy certain conditions and of Rs. 7,500 in other cases upto which these surcharges were hitherto not leviable are proposed to be abolished.

It is proposed to levy an additional surcharge for purposes of the Union which will be calculated on the residual income, *viz.*, assessee's total income (exclusive of capital gains, if any) reduced by the income-tax and super-tax thereon. For this purpose the gross income-tax and super-tax will be deducted from the total income and not the net tax leviable after allowing any rebates. The rates fixed for this additional surcharge rise progressively from four per cent to ten per cent on successive slabs of residual income. The additional surcharge shall not be taken into account in calculating any relief, rebate or deduction *e.g.*, rebate on provident fund contributions made out of total income.

(iii) *Surcharges on super-tax.*—These surcharges, *viz.*, surcharge for purposes of the Union and the special surcharge are proposed to be continued at the existing rates. The comparative table given below sets forth the total amount of tax (income-tax, super-tax and surcharges) payable by a married individual with more than one child at certain levels of income at the rates applicable for the assessment year 1962-63 and the rates proposed for the assessment year 1963-64:

Tax (income-tax, super-tax and surcharges,—including for the assessment year 1963-64, *the additional surcharge) payable by a married individual with more than one child*

Income	Income from salaries only		Wholly earned income other than salaries		Wholly unearned income	
	1962-63	1963-64	1962-63	1963-64	1962-63	1963-64
1	2	3	4	5	6	7
5,000	42	241	42	242	42	248
10,000	479	930	490	940	560	1,006
15,000	1,171	1,881	1,199	1,907	1,370	2,068
20,000	2,272	3,270	2,328	3,322	2,660	3,627
25,000	4,044	5,300	4,142	5,390	4,734	5,935
40,000	11,065	12,979	11,334	13,224	12,954	14,698
70,000	30,745	33,588	31,495	34,270	35,994	38,364
1,00,000	53,039	56,625	54,332	57,789	62,094	64,815
2,00,000	1,34,601	1,40,031	1,37,707	1,42,826	1,49,094	1,53,075

(b) *Registered firms.*—No change is proposed to be made in the rates of income-tax applicable to registered firms. It is, however, proposed to levy on them a surcharge for purposes of the Union at the rate of twenty per cent of the income-tax payable by them.

2. *Companies.*

In the case of companies, the rate of income-tax chargeable on their total income, and the effective rates of super-tax on inter-corporate dividends and other income are proposed to be fixed at the rates as were applicable for the assessment year 1962-63.

2. *Companies;*

It is proposed to continue the existing rebate of one-tenth of the amount of income-tax and super-tax attributable to income derived from exports out of India in the case of all assessees other than foreign companies which have not made the prescribed arrangements for declaration and payment of dividends within India. In addition to this rebate, it is proposed to allow a further rebate of tax to a manufacturer who after 28-2-1963 either himself exports, or where the first purchaser from him exports himself any articles manufactured by the former in any of the industries (other than certain specified industries *e.g.*, textiles, cement, sugar etc.), listed in the First Schedule to the Industries (Development & Regulation) Act, 1951. The additional rebate of tax will be calculated on an amount equal to two per cent. of the turnover. The total amount of the rebate will of course not exceed the tax payable by the assessee.

[Clause 2, Parts I and II of the First Schedule]

II. *Rates for deduction (including super-tax) at source from interest on securities etc.*

The rates for deduction of tax at source from interest on securities, dividends etc., remain the same as in the financial year 1962-63. These rates have been shown in Part III of the First Schedule.

[Clause 2, Part III of the First Schedule]

III. *Amendments to the Income-tax Act,* 1961

(1) *Procedure for recovery of arrear tax dues.*—It is proposed to include in the definition of "Tax Recovery Officer" any officer of a State Government who is empowered to recover arrears of land revenue or other public demand under the State law and who has been authorised by the State Government to exercise the powers of a Tax Recovery Officer.

A Tax Recovery Officer, being a Collector or an additional Collector under a State Government, is also proposed to be authorised to delegate his functions as a Tax Recovery Officer to an officer lower than him in rank, who is empowered to effect recovery of arrears of land revenue or other public demand under the State law.

It is also proposed to enable a Tax Recovery Officer to whom the Income-tax Officer has forwarded a certificate for the recovery of arrears to send the certificate to any other Tax Recovery Officer in the same or any other district in case the defaulter possesses any property within the jurisdiction of the latter Tax Recovery Officer.

[Clauses 4, 20 and 15]

(2) *Restriction over excessive expenditure on remuneration and perquisites of employees of companies*

It is proposed to provide that in the case of any company, the expenditure incurred by it on the remuneration and perquisites for an individual employee in excess of Rs. 5,000 per month for any period after the 28th February, 1963, shall not be allowed as a deduction in the computation of the company's total income.

[Clauses 6 and 7]

(3) *Reduction or waiver of interest chargeable for delay in submission of returns in certain circumstances*

It is proposed to provide that where an assessment has been modified as a result of any order of rectification or an order on appeal, reference or revision, the amount of interest payable by an assessee on account of the delay in submission of returns shall be reduced consequentially and that the excess amount of interest, if any, paid shall be refunded. It is also proposed to enable the Income-tax Officer to reduce or waive the interest chargeable for the delay in submission of returns in such circumstances as may be prescribed.

[Clause 8]

(4) *Relief to be given to and interest to be recovered from assessees in certain cases*

It is proposed to provide a discount of one per cent. on the tax, if paid before the 1st January of the assessment year. This discount will also be available on the amount paid on the basis of the income disclosed in the return though an assessment may not have been made before the said 1st of January. Further, it has been provided that if an assessee does not file a return of his total income by the 31st December of the relevant assessment year or having filed the return does not pay the tax due on the basis of such return by that date, he shall be liable to pay interest on the amount of tax payable by him at two per cent. per annum calculated from the first day of January of the relevant assessment year to the date on which an assessment—provisional or regular, whichever is earlier—is made.

[Clauses 9 and 13]

(5) *Revision of the demand of advance tax.*—It is proposed to make a provision enabling the Income-tax Officer to revise an earlier order for payment of advance tax, on the basis of the total income determined in a provisional assessment for a later year. The existing provision requiring a compulsory revision of the original demand of advance tax in the event of a regular assessment being made for a subsequent year on amount paid, if any, shall be refunded.

[Clauses 11 and 12]

(6) *Reduction of interest chargeable for non-payment of tax in due time, in certain circumstances*

It is proposed to provide that where the tax payable by an assessee has been reduced as a result of an order of rectification or an order on appeal, reference or revision, interest payable by the assessee for failure to pay the tax in due time shall be consequentially reduced and the excess amount paid, if any, shall be refunded.

[Clause 14]

IV. *Amendments to the Wealth-tax Act*, 1957

It is proposed to withdraw with effect from the assessment year 1963-64, the exemption which was hitherto available to wealth-tax assessees on the value of jewellery to the extent of Rs. 25,000.

It is proposed to include amongst the Government securities in respect of which assessees are exempt from wealth-tax, Ten-year Defence Deposit Certificates and Twelve-year National Defence Certificates which have been issued recently in replacement of Twelve-year National Plan Savings Certificates. It is also being provided that for purposes of assessment to wealth-tax for the assessment year 1963-64, an assessee shall be entitled to exemption on the value of the aforesaid certificates even though they were held by him for a period of less than six months prior to the relevant valuation date.

[Clause 21]

CUSTOMS

The proposals include:

(a) increases in the rates of basic Customs Duty, as a revenue measure, on certain articles:

(b) levy of surcharge on all dutiable articles, at a flat rate of 10 per cent. of the duty otherwise payable. This surcharge will be in force up to the 31st March, 1964. It will not be leviable on countervailing duties, nor will it be charged on those mineral oils on which the rates of duty have been kept equal to the Central Excise Duty;

(c) revision of the existing basis for the levy of countervailing duty, where the excise duty is *ad valorem*, so as to include in the value for calculation of countervailing duty the basic Customs Duty payable on the imported article;

(d) a proposal to levy up to the 31st March, 1964, a regulatory duty of customs at the rate of 25 per cent of the rate specified in the Import Schedule (read with any modifications made by notification in the case of protective duties) or 10 per cent of the value of the goods, whichever is higher. The date from which such levy in respect of any goods will be effective is to be notified by the Central Government and may be different for different goods;

(e) abolition of Export Duty on tea, as a measure of export promotion.

Details of the increases in basic Customs Duty, made through the Bill or by notification, are given in Table I. Further, additional revenue amounting to Rs. 4.30 crores is expected from countervailing duties consequent on increases in Central Excise Duties. Details of the expected additional revenue by way of countervailing duty are given in Table II.

2. The total additional customs revenue in 1963-64 as a result of the proposals in the Finance Bill and those being made by notification, is estimated at Rs. 92·77 crores, made up as under:—

From basic Customs Duty	Rs. 65·98 crores
From surcharge on basic duty	Rs. 18·89 crores
From countervailing duty consequent on increase in Central Excise Duty	Rs. 4·30 crores
From change in the basis for levy of countervailing duty	Rs. 3·60 crores
TOTAL	Rs. 92·77 crores

(This does not include the additional revenue which may accrue when the regulatory duty of customs is given effect.) As against this, there will be a loss of revenue to the extent of Rs. 5·38 crores per annum on account of abolition of the Export Duty on tea (by notification). The net additional Customs Duty in 1963-64 will, therefore, be Rs. 87·39 crores.

TABLE I

Details of increases in basic Custom Duty

S.No.	Reference in the Second Schedule to the Bill (Sub-item No.)	Item(s) in the Tariff Schedule	Brief description of the article.	Present rate of duty		Proposed rate of duty		Additional revenue expected per annum (in lakhs of rupees to the nearest lakh)
				Standard rate of duty	Preferential rate of duty	Standard rate of duty	Preferential rate of duty	
1	2	3	4	5	6	7	8	9
1	..	Ex. 15(6)	Palm Oil	45%	35%	No Change	No Change	
				Statutory 10% (By notification)	Nil	20% (By notification)	10%	23
2	(*i*)&(*ii*)	24 and 24(3)	Tobacco: (*i*)manufactured (*ii*) unmanufactured	Rs. 37·50 per kilogram Rs. 33·00 per kilogram	.. ..	Rs. 60 per kilogram Rs. 50 per kilogram	.. ..	65
3	..	27(4)(a)	Kerosene (Superior)	Rs. 101·15 per kilolitre	..	Rs. 231·27 per kilolitre	..	24,08
		27(4)(a)	Kerosene (inferior)	Rs. 85·47 per kilolitre	..	Rs. 181·27 per kilolitre		3,01
4	..	27(5)(a)	High speed Diesel oil	Rs. 44·55 per kilolitre or 16% advalorem, whichever is higher, plus Rs. 287·60 per Kilolitre.	..	Rs. 455·90 per kilolitre	..	5,55
5	..	27(5)(b)	Vaporizing oil	Rs. 44·70 per kilolitre or 16 % advalorem, whichever is higher, plus Rs. 266·15 per kilolitre	..	Rs. 433·90 per kilolitre	..	7
6	..	27(6)	Motor Spirit	Rs. 368·95 per kilolitre	..	Rs. 494·85 per kilolitre	..	1,14

1	2	3	4	5	6	7	8	9
7	..	27(7)(b) (1)	Diesel oil, not otherwise specified.	16% advalorem, plus Rs. 108·14 per tonne	..	Rs. 230·54 per tonne.	..	59
8	(iv)	29	Cinematograph films, not exposed	Rs. 6·60 per 100 linear metres	..	Rs. 12·00 per 100 linear metres.	..	25
9	..	29(1)	Cinematograph films, exposed	Rs. 1·60 per linear metre (89 nP. per linear metre by notification)	..	Rs. 1·60 per linear metre (notification cancelled). Countervailing duty will also be leviable.	..	17
10	(v)	30	Paints, colours and painters' materials, not otherwise specified	50%	40%	60%	50%	14
11	(vi)	30(1)	Dyes derived from coal-tar and coal-tar derivatives used in any dyeing process, all sorts, not otherwise specified— (a) Vat dyes (Paste) (b) Coupling dyes of the Naphthol groups	20%	..	50%	..	60
12	(vii)	39	Rubber, raw	10%	..	20%	..	48
13	..	46(3)	Cotton, raw	26 nP. per kilogram (Free by notification)	..	No change (10 nP. per kilogram by notification)	..	2,00
14	(viii) to (xxiv)	Different items	Iron and steel articles	Different rates	..	Different rates. (Increase by 5% over the existing rates in general; also some specific rates rounded off to the next rupee, in addition.)	..	5,05

1	2	3	4	5	6	7	8	9
15	(xxv)	71	Hardware, iron-mongery and tools, all sorts, not otherwise specified.					
			(a) tools ;	50%	..	60%	..	1,18
			(b) others ;	75%	..	100%	..	
16	(xxvi)	72	Machinery, not otherwise specified					
		72(1)	Textile Machinery and apparatus	15% (10% for some articles)	..	20% (15% for some articles)	..	12,00
		72(2)	Printing lithographic materials					
		72(3)	Component parts of machinery					
17	(v)	73	Electrical instruments, apparatus and appliances, not otherwise specified excluding telegraphic and telephonic.	50%	40%	60%	50%	53
18	(v)	73(1)	Certain specified electrical control gear and transmission gear	50%	40%	60%	50%	22
19	(xxvii)	75	Conveyances not otherwise specified	35%	..	50%	..	50
20	(xxviii)	75(11) 75(12)	Certain components of motor vehicles other than motor cycles and motor scooters	25%	17 1/2%	50%	42 1/2%	3,44
21	(v)	77	Instruments apparatus and appliances other than electrical, all sorts, not otherwise specified	50%	40%	60%	50%	38

1	2	3	4	5	6	7	8	9
22	(v)	77(5)	Photographic instruments, apparatus and appliances	50%	40%	60%	50%	17
23	..	Ex. 87	Asbestos, raw, including fibre.	50% (free by notification)	..	No change (25% by notification)	..	60
24	(xxix)	87	All other articles not otherwise specified.	50%	..	60%	..	2,95
						Total		65,98

TABL II

Details of the additional revenue expected by way of countervailing duty

S. No.	Item (s) in the tariff schedule	Brief description of the article	Additional revenue (tn lakhs of rupees)
1	2	3	4
1.	Different items	Paints and Painters' materials . .	11
2.	Do.	Coal-tar dyes	7
3.	29(1)	Cinematograph films, exposed . .	5
4.	44	Paper, not otherwise specified. . .	8
5.	47(2)	Art silk yarn	1,90
6.	63(10)	Tinplate and tinned sheets . .	7
7.	Different items	Copper and manufactures . .	1,09
8.	66,66(1)	Aluminium, crude and manufactures	28
9.	72(5) 72(21) 72(25)	Refrigerators, air-conditioners and parts	6
10.	73(4)	Radios and radiograms . . .	6
11.	Different items	Electric motors	12
12.	Do.	Motor vehicles	9
13.	Do.	Plastics	23
14.	Do.	All other articles, not included above.	9
		TOTAL . . .	4,30

CENTRAL EXCISE

I. Changes proposed in the rates of duty under the Central Excises and Salt Act, 1944.

A. By bill :

(*a*) Tobacco

(1) Unmanufactured tobacco

Tariff Item.	Unit	Existing rate of duty	Proposed rate of duty	Estimated additional revenue for 1963-64
				(Rs. lakhs)
4 I(5)	Kg.	Rs. 1·20	Rs. 1·60	5,68

Although essentially a revenue measure, it will also narrow further the gap between the rates of duty on sub-item (5) [*i.e.* mostly tobacco cured in whole leaf from] and sub-item (6) [*i.e.* flakes for biris] and thus reduce diversion.

The existing rate of duty is being maintained for tobacco dust, which is generally used in a type of hookah tobacco by an executive notification.

[Clause 26(a)(1)]

(2) Manufactured tobacco—Cigarettes

Tariff Item	Units	Existing rate of duty	Proposed rate of duty	Estimated additional revenue for 1963-64
				(Rs. lakhs)
4 II(2)(i)	1,000 Cigarettes	Rs. 25·30	Rs. 34·00	6,87
(ii)	Do.	Rs. 12·95	Rs. 17·00	
(iii)	Do.	Rs. 6·65	Rs. 8·50	
(iv)	Do.	Rs. 2·90	Rs. 4·20	
(v)	Do.	Rs. 1·30	Rs. 2·00	

[Clause 26(a)(2)]

(b) *Mineral Oils*

Item	Unit	Existing effective rate of duty	Proposed effective rate of duty	Estimated additional revenue for 1963-64
		Rs.	Rs.	(Rs. lakhs)
(1) Motor spirit . . .	Kilo-litre	325·10	410·00	1 2,00
(2) Kerosene—				
(i) Superior . . .	,,	79·88 (by notification)	210·00	19,06
(ii) Inferior . . .	,,	64·20	160·00 (by notification)	

Item	Unit	Existing effective rate of duty	Proposed effective rate of duty	Estimated additional revenue for 1963-64
		Rs.	Rs.	(Rs. lakhs)
(3) Refined Diesel Oils and Vaporizing Oil—				
(i) Refined Diesel Oils	Kilo-litre	305·25	390·00	11,04
(ii) Vaporizing Oil . .	,,	283·95	370·00	
(4) Diesel Oil not otherwise specified	Metric Tonne	117·70	195·00	6,30
				48,40

Besides being a revenue measure, these proposals are designed to inhibit consumption of these products so as to conserve foreign exchange. The tariff preference for inferior kerosene as compared to superior kerosene, has been enhanced.

[Clause 26 Sub-clause (b), (c), (d) and (e)]

(c) Vegetable Product, Paints & Varnishes, Soap

Item	Unit	Existing rate	Proposed rate	Estimated additional revenue for 1963-64
		Rs.	Rs.	(Rs. lakhs)
(1) Vegetable Product . . .	Quintal	20·00	32·00	4,20
(2) Paints and Varnishes sub-item .				
1(1)(ii)	Kg.	00·70	00·75	35
(3)(ii)	Quintal	29·50	30·50	
(iv)	Litre	0·98	1·05	
(4)(i)	Kg.	0·70	0·75	
(ii)	Quintal	17·25	19·50	
(iii)	Litre	0·56	0·65	
II (i)	,,	0·28	0·35	
III (i)	,,	1·40	1·50	
(3) Soap				
Sub-item				
I(1)(i)	Quintal	10·35	15·50	1,25
(ii)	,,	12·05	18·00	
(2)	,,	27·55	37·55	
(3)	,,	27·55	37·55	
II (i)	,,	8·85	13·25	
(ii)	,,	10·35	15·50	

These increases are broadly intended to replace the duty on vegetable non-essential oils normally consumed by these industries. This is consequential to the abolition by exemption, of the existing excise duty on all V.N.E. oils, other than 'proposed' oils.

Sub-items 1(4) (ii) and 1(4) (iii) of Item No. 14 relating to Paints and Varnishes are being amended to facilitate administration. This has little revenue significance.

[Clause 26, sub-clause (f), (g) and (h)]

(d) Paper—Strawboard

Tariff Item	Unit	Existing rate	Proposed rate	Estimated additional revenue for 1963-64
				(Rs. lakhs)
17 (5)	Kg.	15 nP	35 nP	25

The proposal is to bring strawboard, in the matter of excise levy, fully on par with the so-called "mill boards" and "grey boards" as all these boards are generally used for similar purpose. By an executive notification, liberalised slab exemptions with preferential rates are being prescribed for the benefit of the smaller units.

[Clause 26(i)]

(e) Copper and copper alloys

Tariff	Unit	Existing rate	Proposed rate	Estimated additional revenue for 1963-64
				(Rs. lakh
26A (1)	Metric tonne	100	300	30
(2)	"	300	500	

While copper ingots, bars, blocks etc. will bear Rs. 200 per tonne more, copper manufactures such as plates, sheets, circles etc. will continue to pay the present differential duty. Simultaneously the countervailing import duty on copper ingots etc. will be raised by an equal amount. Apart from being a revenue measure, this is also intended to conserve foreign exchange by discouraging the use of copper, the bulk of which has to be imported.

[Clause 26(j)]

(f) Iron or steel products

The proposed amendment to this Item is intended to simplify administration. It has no revenue significance.

[Clause 26(k)]

B. *By notification*

(g) Tea

It is proposed to completely withdraw the present export duty on tea Per contra, no rebate of excise duty would be payable to export teas. This would put the foreign consumer completely at par in this matter, with the domestic consumer of Indian teas. This proposal will bring in an additional revenue of Rs. 3,23 lakhs a year, under the Head 'Union Excise Duties', but would involve a loss of Rs. 5,38 lakhs on the Customs side.

(h) Vegetable non-essential oils

Vegetable non-essential oils extracted with the aid of power are at present subject to a duty of excise at the rate of Rs. 110·25 per metric tonne. It is now proposed to exempt completely all such oils other than processed oils. This will involve a revenue loss of Rs. 10,25 lakhs a year which would be made good partially, through suitably adjusting the existing rates of duty on vegetable product, soap and certain varieties of paints and varnishes.

(i) Cinematograph films, exposed

	Existing rate of duty	Proposed rate of duty	
		not exceeding 3250 metres in length	exceeding 3250 metres in length
	nP per metre	nP per metre	nP per metre
Feature films, advertisement shorts and other films falling under sub-item (2) of Item No. 37, of a width of 30 mm and higher			
A. Cleared within 12 months of certification.			
(i) on the first 8 prints	10	10	15
(ii) on the next 12 prints	15	15	25
(iii) on the next 15 prints	20	20	35
(iv) on the next 15 prints	35	35 }	
(v) on the balance	45	45 }	50
B. Cleared after 12 months of certification	15	15	25

The proposed enhancement in the rates of duty on films exceeding 3250 metres is intended to economise the use of raw films and thereby, to conserve foreign exchange. The proposal has no material revenue implication.

II. *Special Duties of Excise*

Special Duties of Excise	Estimated additional revenue expected to be realised during the next year.
	(Rs. lakhs)
(i) at 10 per cent of the duty under the Central Excises and Salt Act, 1944 on 12 items or sub-items	14,34
(ii) at 20 per cent of the duty under the Central Excises and Salt Act, 1944 on 23 items or sub-items	35,78
(iii) at 33⅓ per cent of the duty under the Central Excises and Salt Act, 1944 on 9 items or sub-items	5,81
TOTAL	55,93

This is essentially a revenue measure designed to raise additional resources.

[Clause 27]

ABSTRACT

S. No.	Tariff Item	Commodity	Estimated additional revenue: By changes in rates of basic duty	By special Duty of Excise	Total
1	2	3	4	5	6
				(Rs. lakhs)	
1.	2	Coffee	..	40	40
2.	3	Tea	3,23*	2,25	5,48
3.	4	Tobacco	12,55	15,11	27,66
4.	6	Motor spirit	12,00	5,75	17,75
5.	7	Kerosene	19,06	..	19,06
6.	8	Refined diesel oils and vaporising oil	11,04	5,02	16,06
7.	9	Diesel Oil not otherwise specified	6,30	1,60	7,90
8.	12	Vegetable non-essential oils	(—) 10,25	..	(—) 10,25
9.	13	Vegetable product	4,20	2,24	6,44
10.	14	Paints and Varnishes	35	53	88
11.	14D	Synthetic organic dyes stuff	..	23	23
12.	14F	Cosmetics and toilet preparations	..	25	25
13.	15	Soap	1,25	83	2,08
14.	15A	Plastics, all sorts	..	25	25
15.	15B	Cellophane	..	7	7
16.	16	Tyres	..	3,40	3,40
17.	16A	Rubber product	..	17	17
18.	17	Paper	25	2,10	2,35
19.	18	Rayon and Synthetic fibres and yarn	..	2,83	2,83
20.	18A	Cotton yarn	..	1,70	1,70
21.	18B	Woollen yarn	..	67	67
22.	20	Silk fabrics	..	2	2
23.	21	Woollen fabrics	..	30	30
24.	22	Rayon or artificial silk fabrics	..	17	17
25.	22A	Jute manufactures	..	40	40
26.	23	Cement	..	4,20	4,20
27.	23A	Glass and Glassware	..	29	29
28.	23B	Chinaware	..	10	10
29.	26A	Copper and copper alloys	30	..	30
30.	27	Aluminium	..	30	30
31.	28	Tinplate	..	17	17
32.	29	Internal combustion engines	..	15	15
33.	29A	Refrigerating and Air-conditioning appliances and machinery	..	33	33
34.	30	Electric motors	..	24	24
35.	31	Electric batteries and parts thereof	..	31	31
36.	32	Electric lighting bulbs	..	12	12
37.	33	Electric fans	..	26	26
38.	33A	Wireless receiving sets	..	42	42
39.	34	Motor vehicles	..	2,60	2,60
40.	37	Films, exposed	..	14	14
41.	37A	Radiograms	..	1	1
		TOTAL	60,28	55,93	116,21

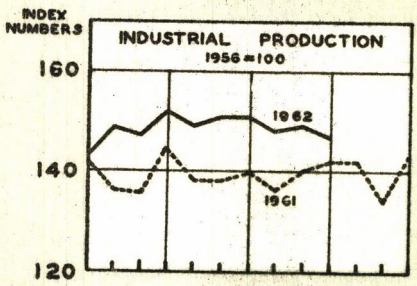
* By withdrawal of rebate in Excise Duty on exported.

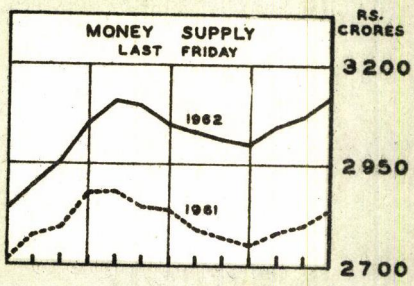
SUMMARY

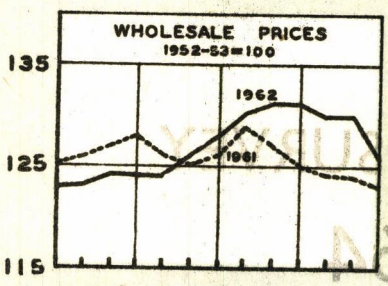
	By changes in rates of basic duty	By levy of Special Duty of excise	Total
			(Rs. lakhs)
(a) State's share	9,60	..	9,60
(b) Centre's share	50,68	55,93	106,61
TOTAL	60,28	55,93	116,21

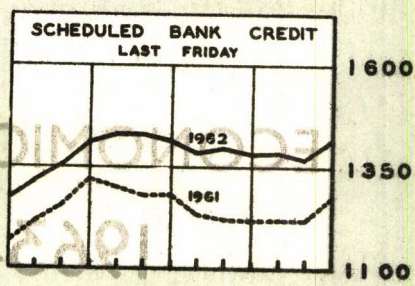
ECONOMIC SURVEY
1963-64

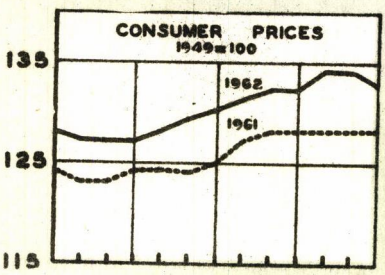
SELECTED ECONOMIC INDICATORS

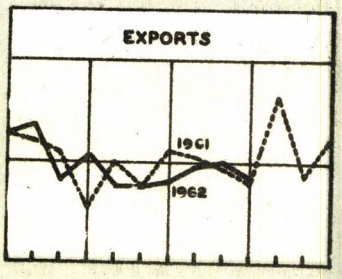


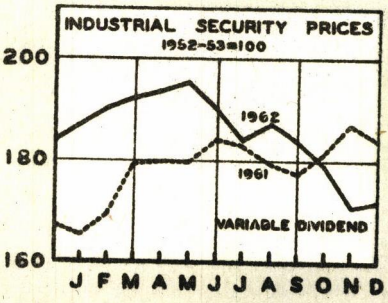


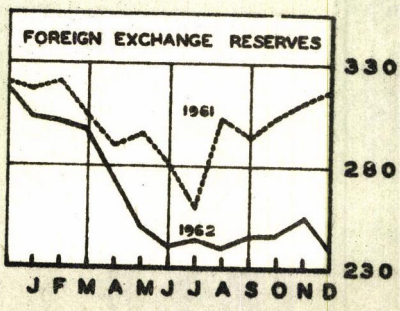












MINISTRY OF FINANCE, ECONOMIC DIVISION.

ECONOMIC SURVEY—1962-63

The Economic Survey for the current year is divided into two parts. The first part reviews briefly the major developments in the Indian economy during the year 1962-63 and outlines the tasks that lie ahead so as to provide a background for the consideration of budgetary and economic policies for the coming year. Recent trends in the economy are analysed in somewhat greater detail in the second part.

PART ONE

I. Developments in 1961-62

2. During 1961-62, the first year of the third five-year plan, an expenditure of the order of Rs. 1,140 crores was incurred on programmes of development in the public sector; and private investment maintained its general momentum. At the same time, considerable progress was made with the mobilisation of resources, both domestic and external. On the whole, supply and demand were in better balance than in the preceding few years and this was reflected in an improvement in the price situation. The balance of payments, however, remained under pressure and the overall rate of growth of the economy was below expectations.

3. In itself, the low rate of growth in 1961-62 could not be assigned much significance as it reflected, in the main, the failure of agricultural output to advance beyond the record level of the preceding year on account of weather conditions. But there was some slackening in the rate of growth of industrial output as well; and this was in response not only to shortfalls in agricultural production but also to shortages of power, transport, coal, steel and imported materials. The rephasing of the second plan after 1958-59 on account of foreign exchange shortage and the somewhat slower progress in the implementation of programmes for which foreign exchange was assured had led to weaknesses in the basic sectors which were brought into focus as the third plan began to gather momentum.

II. The First Half of 1962-63

4. Against this background, the Budgets of the Centre and the States for 1962-63 provided for a substantial step-up in plan outlay, particularly in the vital sectors of agriculture, power, transport and industry. The total budgetary provision for the plan in 1962-63 amounted to some Rs. 1,465 crores and represented an increase of 30 per cent over the anticipated outlay in the preceding year. Simultaneously, the budget at the Centre introduced substantial additional taxation of Rs. 89 crores (including Rs. 21 crores from increases in railway fares and freights) in succession to a tax effort of Rs. 85 crores in 1961-62. Taken together, the additional taxation undertaken by the Centre during the first two years of the plan was expected to yield Rs. 850 crores over the plan period, or more than 75 per cent of the target of Rs. 1,100 crores set in the plan.* Apart from raising resources for the plan, the taxation effort at the Centre was

*Revised Estimates for 1962-63 would suggest that the yield from additional taxation during the year would be higher than Rs. 89 crores so that the total yield over the five years is likely to exceed Rs. 850 crores.

designed to provide a corrective to the balance of payments by discouraging imports through higher customs duties on a large variety of goods and by encouraging exports through a restraint on internal demand as well as through a slightly more favourable treatment to export incomes in corporate taxation.

5. Before the formulation of the Budget, a review of the programmes in vital sectors was undertaken by the Planning Commission in consultation with the Ministries and State Governments concerned. This was continued during the earlier part of the year and a number of specific measures and procedures were worked out to ensure accelerated and coordinated development in those areas where shortages had begun to appear. The remedial measures taken and the results expected therefrom are discussed in Part Two. But mention may be made here of the decisions to enlarge the railway development programme to meet the specific needs of coal transport, to provide accelerated assistance to the States for power development, to augment the power supply in the W. Bengal-Bihar area particularly to meet the needs of coal mines and to focus greater attention in agricultural programmes on minor irrigation, soil conservation, speedier utilisation of irrigation facilities and on production of crops such as cotton and oilseeds which have an important bearing on the balance of payments. Considerable attention was also given to the effective harnessing of the steel capacity already created as well as to quicker implementation of all projects for which foreign exchange was already assured.

6. By its very nature, the remedial action initiated after the detailed review of programmes and emergent trends will bear fruit only over time. But there were signs, during the first half of the year, of some improvement in the situation. The output of coal, steel, aluminium, railway wagons and machine tools in April—September 1962 was significantly higher than in the corresponding period of 1961, and there was similar improvement in regard to the generation of electricity and the movement of freight. The progress in industrial production was by no means even. Thus the output of automobiles, ammonium sulphate, cement and rubber tyres and tubes in April—September 1962 was virtually the same as in April—September 1961. During the same period, cotton cloth (from mills and the decentralised sector taken together) registered a decline in output (0·5 per cent) and jute textiles a sizeable increase (35·4 per cent) reflecting in the main the divergent trends in the availability of raw cotton and raw jute from internal production. On the whole, industrial production in the first half of the current fiscal year was 7·2 per cent higher than in the corresponding period of 1961-62.

7. The availability of agricultural supplies in the first half of the current fiscal year depended largely on the outturn of crops during the 1961-62 agricultural year (July-June). Foodgrains production in 1961-62 had been slightly lower than in 1960-61 (78·6 million tons as against 79·7 million tons) and the decline was particularly sharp in the case of jowar and pulses. While wheat output had increased significantly, there was little change in the outturn of rice. Among commercial crops, both sugar and raw cotton had declined in production whereas the 1961-62 jute crop was a bumper one and there was some improvement in regard to oilseeds.

8. The absence of any increase in agricultural output combined with continuing increase in demand imparted a firmness to prices, particularly prices of rice, jowar, pulses, sugar and gur. Between March and August

1962, the general level of wholesale prices increased by 6·1 per cent as a result mainly of an increase of 9·3 per cent in the prices of foodgrains. In view of the renewed pressure on prices, releases of foodgrains from stocks and despatches of sugar from factories were augmented, speculative tendencies were held under check by control over forward trading and bank credit and steps to ensure greater control over distribution and to enlarge the net-work of consumer cooperatives were given urgent attention. At the same time, the ceiling prices of cotton were raised and procurement prices for rice were announced to provide an incentive for greater production.

9. To a certain extent, signs of the emergence of excess demand were also evident in monetary trends during the earlier part of 1962. The decline in money supply during April-October, 1962 (mainly seasonal) was only Rs. 21 crores as against a decline of Rs. 58 crores in the same period in 1961. Bank credit to the private sector which normally declines during this period actually registered an increase of Rs. 14 crores in 1962.

10. In the light of these trends, the process of an orderly and gradual increase in interest rates, which had been under way over the past few years, was carried a stage further in the current year. The three-tier system of Reserve Bank lending rates in operation since October 1960 was replaced in July 1962 by a four-tier system which meant in effect an increase in the average lending rate of the Bank by ½ per cent or more and this was reflected in a corresponding increase in the cost of commercial bank credit. The lending rates of financial institutions such as the Industrial Finance Corporation were raised correspondingly by ½ per cent. Market borrowing by the Central and State Governments and semi-public institutions this year was undertaken at rates of interest which represented an increase of between ¼ and ½ per cent on medium and long-term debt. The rate of return on post office savings accounts was also raised by ½ per cent to stimulate small savings which had shown a declining trend for some time.

11. The financial position of a number of State Governments showed signs of weakness during the earlier part of the current year. The taxation effort of the States during 1961-62, unlike that of the Centre, had been of a very modest order and amounted to additional taxation of Rs. 14 crores with a five-year yield of Rs. 102 crores. This was equivalent to only 16·7 per cent of the total five-year target of Rs. 610 crores. With the step-up in plan outlays in 1962-63, a number of States began to run into ways and means difficulties and the Centre had to grant *ad hoc* assistance of as much as Rs. 74 crores during the first six months of the current year. A fresh review of the financial position of each State was, therefore, undertaken in June-July and the States were urged to undertake substantial additional taxation and to contain their plan and non-plan expenditure within resources in sight. At the same time, accelerated assistance was promised to those States which could not be expected to finance their priority programmes on their own. Following these discussions, additional taxation was undertaken by a number of States with a total yield of Rs. 33 crores in 1962-63 and Rs. 58 crores in a full year. Taken together, the additional taxation undertaken by the States in the first two years of the plan is expected to yield Rs. 330 crores over the plan period as a whole.

12. A major disturbing development during the first half of 1962-63 was the continued pressure on balance of payments, particularly during the first quarter (April-June) when India's foreign exchange reserves

declined by as much as Rs. 56 crores. To counter this adverse trend, stringent restrictions, particularly on foreign travel, were introduced and import quotas for April-September which were already announced were subjected to a further mid-term cut. In view of the extremely low level of reserves, a stand-by credit of $100 million was arranged with the International Monetary Fund and of this, $25 million (Rs. 11·9 crores) was drawn in July 1962. The pressure on balance of payments abated during the July-September quarter when there was actually an increase of Rs. 4·5 crores in foreign exchange reserves (after taking credit for the drawing on the International Monetary Fund). Even so, the overall deficit in balance of payments (as measured by the decline in aggregate reserves and net drawings on the Fund) was only marginally smaller in April—September 1962 (Rs. 63·5 crores) than in the corresponding period of 1961-62 (Rs. 69·5 crores).

13. Imports during April-September 1962 were significantly higher than in April-September 1961. But this increase reflects essentially the increase in imports of food and capital equipment for projects and was offset by greater utilisation of available assistance. There was a distinct improvement in the utilisation of available assistance both from the consortium countries and from the U.S.S.R. Non-project imports were roughly of the same order as in the first half of 1961-62. Larger payments on account of interest charges were offset by improvement in other current invisible earnings and there was a reduction in the outflow of banking capital. Export earnings during April-September 1962, according to balance of payments data (and excluding exports from Goa, Daman and Diu) were Rs. 11·6 crores lower than in the corresponding period of 1961. Trade statistics, however, show practically no variation in the value of exports over the same period. In terms of volume, the improvement in exports witnessed in 1961-62 was continued during the first half of 1962-63 But this improvement was offset by a decline in export prices, particularly in respect of India's two most important exports, *viz.* jute goods and tea. The increase in the volume of exports was notable in the case of jute goods, tea, sugar, oil-cakes, vegetable oils, iron ore, cashew kernal, tobacco, hides and skins, footwear and art silk fabrics. The volume of exports, however, declined in respect of raw cotton, cotton textiles, manganese ore and coffee.

14. Given the continuing pressure on balance of payments, a vigorous promotion of exports has become a major objective of economic policy in the country. Some of the important measures taken recently in this direction are summarised in Part Two of the Survey. But an enduring corrective to the balance of payments requires, apart from promotional measures and measures of restraint on domestic demand a primary orientation in investment policies in favour of export industries and industries that might keep the demand for imports under check. This, in fact, has been the basic orientation of the third five-year plan and the programmes in the public sector relate either to social and economic overheads of development or to the basic sectors of industry where dependence on imports is, or threatens to be, large. In regard to programmes in the private sector also, the emphasis for some years now has been on encouraging basic industries and industries oriented to exports and on discouraging those which seek to cater to domestic consumption on the basis of imported materials and components. A fresh review of programmes in the private sector was undertaken in the summer of 1962 and subsequently certain priorities in regard to further expansion in the private sector were laid down with a view to speeding up progress in specified directions and discouraging it in others.

III. Developments since the Emergency

15. Economic developments in the country during the first half of 1962-63 had thus called for adjustments in policy on a number of fronts. And it was at this juncture that the economy was exposed, at the outset of the second half of the year, to armed aggression on the northern borders. The immediate task of economic policy, in the wake of the emergency, was to permit defence mobilisation at as quick a pace as possible without upsetting the general balance of the economy; and by all available evidence, this proximate objective has been achieved with the help of the spontaneous cooperation of the people.

16. The 1962-63 Budget had originally provided for a defence outlay of Rs. 376 crores. A supplementary provision for Rs. 95 crores was made in November in the wake of the emergency. No fresh proposals for raising revenue were introduced at the time. The spontaneous and enthusiastic response of all sections of the people to the National Defence Fund and the general acceptance of the need for austerity reduced the urgency for compulsory measures to restrain demand. Immediately after the declaration of the emergency, the National Defence Fund was set up and a new series of National Defence Bonds and Defence Savings instruments was introduced. A little later, the Gold Bonds and Premium Prize Bonds were issued and in keeping with the earlier trend to lever up the interest rate structure, the new borrowing instruments were offered at more attractive rates of return. Contributions to the National Defence Fund and subscriptions to the National Defence Bonds together are expected to amount to Rs. 65-70 crores during the current fiscal year. From January 1963, compulsory emergency insurance has been introduced and it is expected to yield a sum of Rs. 9 crores during the current fiscal year.

17. The absence of any significant upsurge in speculative tendencies and the reduction in the pressure on prices in recent months are also important indicators of the community's willingness to help preserve the health and stability of the economy in the face of the emergency. Prices remained stable around the peak level reached in August for the next 2½ months and the normal seasonal decline did not start till the middle of November. Since the middle of November, however, the downward trend in prices has been quite marked in the case of almost all agricultural commodities and the general index of wholesale prices had declined to 125·8 by the middle of January, 1963, *i.e.* to a level a little below what was reached at the beginning of the third plan. To a certain extent, recent price trends reflect the impact of greater releases from stocks as well as of action to counter speculation in commodity markets and to prevent excessive increase in credit. It must also be remembered that the major impact of defence mobilisation has yet to be felt. It is, nevertheless, significant that there has been so far no resurgence of inflationary pressures in the present emergency.

18. On the whole, there has been little further pressure on balance of payments since the beginning of October. Total foreign exchange reserves remained virtually unchanged during the October-December quarter and there has been some improvement in reserves in recent weeks. The period from October to March is generally a favourable part of the year from the point of view of export earnings, although in recent years it has also emerged as a period of substantial obligations in respect of interest

charges and debt repayment. Export earnings during October-December 1962, according to trade statistics, were significantly higher (by Rs. 14:8 crores or 8 per cent) than in the corresponding period of 1961. If this trend continues during the January-March 1963 quarter, total exports during 1962-63 may reach the level of Rs. 680 crores (or Rs. 695 crores including exports from Goa, Daman and Diu) as against Rs. 668 crores in 1961-62 and Rs. 631 crores in 1960-61. Over the past three years, therefore, there have been some signs of a modest but steady increase in export earnings. Reimbursements under the U.S. non-project and other credits have gathered momentum in recent months, and this has also been a significant factor in sustaining reserves. On February 15 this year, the foreign assets of the Reserve Bank stood at Rs. 105·1 crores.

19. At the outset of the emergency, it had to be recognised that the new situation might create additional demands on imports which could not be financed from assistance available or forthcoming. Given the very low level of reserves, a further tightening of import allocations against free foreign exchange was, therefore, inescapable; and the import policy for October—March was announced on a more stringent basis and after a considerable delay.

20. At the same time, Government has initiated a major and determined effort to stamp out a significant source of drain on India's foreign exchange resources. The generally high demand for gold in the country for traditional and other reasons has led to smuggling of gold on a considerable scale in recent years; and the financing of this illegal traffic has led to malpractices in violation of exchange control regulations and to clandestine transactions at unofficial rates of exchange. In the wake of the emergency, a campaign to educate public opinion was launched and the Gold Bonds were issued as a first step towards weaning people away from gold. The forward market in gold was closed to reduce the ease with which smuggled gold could be disposed of in the country. Later, Gold Control Rules were promulgated in order to regulate internal transactions in gold in such a way as to bring about a progressive reduction in demand as well as to provide a series of checks on smuggling. The new gold policy marks an important departure in the social and economic history of the country and it is an index of the seriousness with which the balance of payments position of the country at present has to be viewed.

21. The present emergency has also had a salutary effect on labour-management relations and it has led to a general appreciation of the importance of increasing production and reducing costs. In response both to the efforts made before and after the onset of the emergency, the production in a number of basic industries this year is expected to increase significantly over the level reached last year. On current indications, the output of coal in 1962-63 is likely to be 62 million tonnes against 55 million tonnes in 1961-62, of cement, 8·7 million tonnes against 8·3 million tonnes and of saleable steel, 4·1 million tonnes as against 3·2 million tonnes the year before. The railways are expected to carry 175 million tons of freight in the current year as against 160 million tons in 1961-62. The addition to installed capacity for power generation this year, although still small in relation to requirements, is expected to be larger than in 1961-62 (650 mw as against 580 mw).

22. In one particular respect, however, the immediate impact of the emergency has been somewhat adverse. Since the middle of May 1962, a hesitant trend in stock markets was in evidence and share prices had

tended to decline except for a brief spurt in August. This downward trend in share prices was further accentuated after the beginning of hostilities; and although market sentiment has revived from time to time in recent weeks, the general feeling of uncertainty has prevailed and it has had an inhibiting effect on the floatation of new issues. There have also been occasional signs of sluggishness in recent months in regard to production in a few industries. The underlying economic conditions in the country offer little warrant for the uncertain and generally subdued trend in stock markets or for any slackness in the economy. But it is quite clear that the performance of the economy in the coming months would depend to a significant extent on the confidence of private investors and in their ability to raise the funds necessary for the expansion of essential business.

23. The prospect of a substantially larger defence effort for some years to come naturally called for a re-examination of plan priorities and of the scale of plan expenditure in the coming year. For some years now, the course of plan outlay from year to year has been determined by annual plans framed in the light of emergent conditions. Discussions on the annual plan for 1963-64 were conducted this year at the highest level and were brought to a focus at two meetings of the National Development Council. In view of the reassessment undertaken earlier, the implementation of the plan had already gathered a certain momentum during the second year of the plan; and the need to complete speedily the programmes already in hand would dictate considerable further step-up in plan outlay during 1963-64. Provision had also to be made for programmes directly related to the immediate needs for defence. Considering the continuing nature of the threat to the country's security and the vital connection between defence potential and the development of the basic sectors which form the corner-stone of the third plan, it was felt that a slowing down of plan implementation would not serve the paramount interests of defence. Accordingly, the National Development Council decided that, with the utmost regard for efficiency and economy in both plan and non-plan expenditure and for the continuing health and buoyancy of the productive forces in the country, every endeavour should be made to mobilise domestic resources on a scale and in a manner which would permit defence and developmental effort to be carried to the full limit of available physical resources.

24. The limits to available physical resources, particularly in regard to the most scarce yet versatile resource of foreign exchange, and the ability of the economy to endure the organisational and other strains implicit in a sharply increased and broad-based mobilisation of domestic resources could not, in the nature of things, be defined in advance with absolute precision. But given the inescapable necessity of continuing assessment of policies and possibilities, it is clear that the objectives set by the National Development Council for 1963-64 would call for unprecedented effort at resource mobilisation.

IV. Prospects for 1963-64

25. Economic developments in 1963-64 would be influenced greatly by the outturn of the agricultural crop during the 1962-63 season. This year's *kharif* season was marked by deficient rainfall in June over most parts of the country and this was followed by excessive rainfall and floods as well as locust invasions in some regions. Despite these adverse weather conditions, the overall prospects for agricultural production during the

1962-63 season appear to be satisfactory. The total output of foodgrains is expected to be larger than in 1961-62 with the notable exception of rice. There are definite indications of a much better cotton crop although both sugarcane and jute may register a decline in output.

26. Further improvement in transport, power and coal supplies should act as a spur to industrial production in general. Notable progress is expected in regard to production of fertilisers, cement, aluminium, mineral oil and petroleum products. Existing capacity in steel is already reaching full utilisation and expansion programmes in the public and private sector plants will not be completed for some time. The output of steel next year, therefore, would not show as marked an improvement as this year. Prospects for a number of engineering and chemical industries are difficult to judge at this stage particularly in view of uncertainty regarding availability of imported materials and components. Among traditional industries, while the output of sugar may be less, production of jute and cotton textiles would turn largely on the state of demand abroad and the ability of the industries to meet it competitively.

27. On the demand side, the endeavour of policy must necessarily be towards accommodating the substantially larger claims of defence and development by judicious restraint on private consumption and less essential investment. Much would depend on buoyancy in private investment and on continued vigilance in regard to speculative pressures on available supplies.

28. The containment of any tendency towards excess demand is all the more imperative in view of the prospective pressures on balance of payments. Restrictions already imposed on imports, foreign travel and on gold transactions should have a favourable effect next year. On the other hand, interest charges and repayment obligations would be significantly larger; and considerable improvement would in any case be called for to correct the imbalance in external accounts which has persisted for some years now. There would, therefore, be every need for increasing exports to the maximum extent possible and for keeping a check on imports. It is to be hoped, however, that the flow of non-project assistance would increase over the coming year and that the additional claims of defence would not set up significant pressures on free foreign exchange resources.

29. India's earnings from exports and net invisibles have not been sufficient in recent years to meet the requirements of debt charges as well as of the maintenance of the economy. With the decline in foreign exchange reserves, earnings of interest on foreign assets have dwindled, whereas repayment obligations and interest charges on foreign debt have been growing at a rapid pace. India has also achieved a considerable degree of diversification in industrial structure including a sizeable capacity for the manufacture of capital goods within the country. The growing production of capital goods, however, is still based on the import of components, spares and materials from abroad. These components as well as the many indirect requirements of projects included in the plan cannot always be covered by available assistance. The result is that, even with the policy of undertaking project commitments essentially against assistance already assured, there remains a residual problem which has had to be met, in the short run, by securing assistance for financing a part of non-project requirements and, failing this, by drawing on reserves or/and by starving the economy of the imports needed to

make full use of the capacity already created. There is no scope left for further drawal on reserves which, in fact, need to be strengthened if there is to be some room for manoeuvre in shaping plans and policies. With the progressive tightening of import restrictions a stage has already been reached when any further increase in the degree of restrictions would impair seriously the chances not only of higher production but of higher exports as well. Over a period, the solution of this basic weakness in India's overseas payments position must be found progressively in terms of an increase in exports at a rate much faster than in the case of imports as well as by a reduction in the proportion of "hard" debt. But, in the meanwhile, the actual availability of non-project assistance has become a major factor in preserving India's external viability.

30. In many respects, mobilisation of productive potential and available resources for defence, development and exports calls for specific action on a number of fronts. Generalised fiscal and monetary measures, while necessary as a pre-condition for success in directing specific resources in desired directions, cannot replace the need for organisation, co-ordination and ingenuity in overcoming specific constraints in the situation.

PART TWO

I. Agricultural Production

31. Agricultural production increased at the rate of 3·5 per cent per annum during the decade of the first two five-year plans. In the first year of the third plan, it remained at the same high level as in the previous year. Production of foodgrains was slightly lower—78·6 million tons in 1961-62 as compared to 79·7 million tons in 1960-61. There was an impressive increase in production of wheat by as much as 7·4 per cent and the output of rice was maintained at the previous year's level. The decline in production occurred mainly in the inferior cereals and pulses. Jowar output declined as much as 16·8 per cent and output of pulses by 7·8 per cent. The trends in agricultural production during the last three years are summarised in the following table (and are set out in full in Table 1·3 at the end):—

Agricultural Production

	Unit	1959-60*	1960-61*	1961-62†	Per cent‡ change in 1961-62 over 1960-61
Foodgrains	million tons	74·7	79·7	78·6	—1·4
Raw cotton	million bales	3·7	5·4	4·5	—16·5
Raw jute	million bales	4·6	4·0	6·3	+57·4
Sugarcane	million tons of gur	7·7	10·4	9·7	—6·8
Groundnuts	million tons	3·9	4·4	4·7	+6·6
Index number of agricultural production	(1949-50=100)	*128·5*	*139·9*	*139·9*	..

*Partially revised estimates.

†Final estimates.

‡Based on figures in thousands.

32. The small decline in the production of foodgrains in 1961-62 must be seen in the context of the exceptionally good crop obtained in 1960-61. On the basis of the trend in production between 1949-50 and 1959-60 production of foodgrains should have been 76·7 million tons in 1960-61 and 78·8 million tons in 1961-62. Such estimates of production potential created through various agricultural programmes as are available also suggest similar levels of production in the two years. On account of the exceptionally good seasonal conditions, the 1960-61 food crop turned out to be nearly 3 million tons higher than what could have been expected on the basis of past trends; in 1961-62, despite adverse weather, output of foodgrains was not materially below the trend level.

33. Imports of foodgrains in 1962 amounted to 3·58 million tons as compared to 3·44 million tons in 1961 and Government stocks of foodgrains were also drawn upon to the extent of about half a million tons during the year. Thus the lower output of foodgrains was compensated by supplies from these sources and the total availability was about the same as in 1961. On a *per capita* basis there was a small decline in the availability, but not necessarily consumption, of foodgrains.

34. The outturn of commercial crops in 1961-62 was more satisfactory with the exception of cotton and sugarcane. Acreage under cotton declined by about one per cent in 1961-62 on account of adverse weather conditions at the time of sowing. Yields were further affected by drought and severe cold in several parts of the country and production of cotton declined by nearly one-sixth. Area sown to sugarcane increased by 2·6 per cent, mainly in U.P. and Bihar, but production declined by 6·8 per cent. There was a bumper crop of jute and mesta which more than offset the substantial decline in output in the preceding two years. The total output of jute and mesta amounted to nearly 8 million bales, *i.e.* an increase of 56 per cent as compared to 1960-61 and 16 per cent as compared to the large harvest in 1958-59. The output of groundnuts also showed some improvement and the production of oilseeds was about 5 per cent higher than in the previous year.

35. The improved supplies of raw jute in the latter part of 1961 helped the industry to build up stocks which were greatly depleted during the first eight months of 1961, and also to meet in full the raw material requirements for a larger output. Despite measures for conserving raw jute by the reduction in the hours of work and increase in the number of looms sealed, stocks with jute mills had fallen from about a million bales at the end of January 1961 to only 1·92 lakh bales by the end of August 1961. By April 1962 stocks had risen to 2 million bales and by the end of September 1962 they were 1·2 million bales. The output of raw jute in 1962-63, though smaller than in the previous year, is expected to be large enough to meet in full the requirements of the mills and leave some margin for exports.

36. The smaller cotton crop in 1961-62 was supplemented by imports of 8·1 lakh bales mainly under P.L. 480. Nevertheless, the cotton year (September-August) ended with stocks with mills of 14·6 lakh bales—about 3·5 lakh bales less than the opening stocks. Cotton production during the current season is expected to be larger and imports of about 6 lakh bales have been arranged for.

37. In keeping with the emphasis placed on agricultural production during the third plan, a series of measures were taken during the year to intensify the efforts for increasing production particularly of cotton and oilseeds which are important from the point of view of foreign exchange. In pursuance of the policy to ensure a reasonable price to the cultivator and with the expectation of a bumper wheat crop in the *rabi* of 1961-62, minimum prices of wheat ranging from Rs. 32·15 to Rs. 37·51 per quintal (Rs. 12 to Rs. 14 per maund) were fixed in March 1962. While there is little danger of rice prices falling to unduly low levels, procurement prices for rice ranging from Rs. 40·19 to Rs. 46·54 per quintal (Rs. 15 to Rs. 17·37 per maund) for common varieties have been announced for the 1962-63 season to provide an incentive for increased rice production in the coming year. With a view to encourage the production of better quality sugarcane, the provisions regarding minimum prices of sugarcane were revised during

the year to link prices payable to the cultivator with the quality of cane. The ceiling price of cotton for the Moglai Jarilla 25/32″ variety has also been increased by 15 per cent from Rs. 231 to Rs. 266 per quintal (Rs. 820 to Rs. 945 per candy) with effect from the 1962-63 season. In the case of commercial crops, however, increase in output has to be obtained by improving yields rather than extension of cultivation. Over the last ten years the increase in the output of commercial crops, other than plantation crops, has been primarily due to extension of cultivation facilitated to a considerable extent by the spread of irrigation. This is especially true of cotton in the Punjab and sugarcane in Maharashtra. Average yields of commercial crops have not shown an increase comparable to those obtained in the case of food crops. Since the possibility of further extension of acreage is limited, considering the claims of food crops, emphasis is being laid on intensive cultivation of cotton (especially long-staple cotton) and oilseeds. A package programme has been introduced in selected districts for both these crops, additional allocations of fertilisers have been made and arrangements initiated for intensifying plant protection measures.

38. During the first two years of the third plan period additional 7 million acres of land are expected to be brought under irrigation. This was made possible by increase in potential created through major and medium schemes and the minor irrigation programmes as well as by greater utilisation of existing facilities. The ratio of utilisation in the case of major and medium schemes has gone up from less than 50 per cent in 1955-56 to about 75 per cent by now. Further measures have been initiated to improve the utilisation of irrigation potential. The availability of chemical fertilisers has also increased. From less than one lakh tonnes of nitrogen, the indigenous production has gone up to 1·4 lakh tonnes in 1961-62 and is expected to be about 2 lakh tonnes in 1962-63. Imports have also increased so that the total availability is now about 4·25 lakh tonnes of nitrogen as compared to 1·9 lakh tonnes in 1960-61. The programmes for increasing the internal production of fertilisers are at varying stages of implementation and a substantial increase in output is expected in the last two years of the third plan. The bulk of the additional production will consist of compound fertilisers not familiar to the farmer. Along with the increase in supplies, therefore, it is necessary to take measures to promote the use of these fertilisers. Efforts are being made to popularise the new types of fertilisers; and the price of calcium ammonium nitrate has been reduced relatively to that of ammonium sulphate with a view to encouraging its use. Incentives have been given to the dealers of fertilisers to encourage more effective distribution.

39 A renewed emphasis is being put on agricultural production programmes in the context of the emergency. With a view to ensuring quick benefits, the third plan targets of additional acreage to benefit from minor irrigation and soil conservation programmes have been increased by 50 per cent, and high priority is being accorded to these programmes. It has been decided that funds allotted to the Community Development blocks should be used mainly for agricultural development. The arrangements for the distribution of improved seeds and fertilisers are being strengthened and the efforts for increasing production of cotton, oilseeds, rice, millets and pulses are being concentrated in selected areas where these crops predominate, with a view to obtain quick returns. In view of the pressure on the prices of subsidiary foods, an intensive development programme for increasing the production of fruits and vegetables has been taken in hand. Steps are also being taken to set up milk drying plants and several cattle development centres and to strengthen the rural dairy

extension programmes as also existing dairy projects. Similar schemes for the increase in production and supplies of meat, eggs and poultry have been devised.

40. It is still too early to predict the outturn of crops in 1962-63. This year's *kharif* season was marked by deficient rainfall in June over most parts of the country and this was followed by excessive rainfall and floods in the Punjab, Bihar, Assam and Uttar Pradesh in September and October. Parts of U.P., the Punjab and Rajasthan and western Madhya Pradesh also suffered from locust invasions. Despite these adverse conditions, the overall prospects for agricultural production during 1962-63 appear to be satisfactory. The total output of foodgrains is expected to be larger, though there may be some shortfall in the output of rice. The production of cotton is expected to be substantially higher than in 1961-62, although there may be a further decline in the output of sugarcane. Production of jute is not expected to be maintained at the high level reached last year. Altogether, the current year's crop may not show a very substantial improvement over the peak level of agricultural production attained in 1960-61.

II. Industrial Production

41. Industrial production increased at an annual rate of about 7 per cent over the first two plan periods. In the first year of the third five-year plan also the growth in industrial production, as shown by the revised index of industrial production, was about the same—6·8 per cent. This was, however, a considerably slower rate of increase than was achieved in the last two years of the second plan when industrial output had increased at an exceptionally high rate of 10 to 11 per cent. During the first two quarters of the current year the index of production was maintained at the high level reached at the end of 1961-62 and the average for the two quarters was about 7·2 per cent above the average of the first two quarters of 1961-62. The following table shows the quarterly indices of industrial production for the last few years:—

Index of Industrial Production

(1956=100)

	1959-60	1960-61	1961-62	1962-63
1st Quarter	113·3	127·1	138·6	150·3
2nd Quarter	118·3	126·1	139·4	147·3
3rd Quarter	122·3	139·3	139·7	
4th Quarter	126·3	138·2	149·0	
Annual Average	*120·2*	*132·7*	*141·7*	

Note : Quarterly figures are seasonally adjusted.

42. *Agriculture-Based Industries*: Since the production of commercial crops, barring raw jute, was exceptionally good in the agricultural season of 1960-61, industries drawing their raw material supplies from agriculture had in fact done quite well in 1961-62. Cotton textiles production increased

in that year by 5·6 per cent, and a marked increase had occurred in the production of sugar. Production of jute textiles on the other hand declined by 6·4 per cent. During the current year, the fortunes of the agriculture-based industries were governed by the decline in the production of cotton and sugarcane in the 1961-62 agricultural season. Although the shortage of cotton, as mentioned earlier, was sought to be made good by larger imports and drawing down of stocks, cloth production during the first half of 1962-63 was marginally lower as compared to the first half of 1961-62. Production of sugar declined in response to the cut imposed by Government with a view to secure a better balance between demand and supply. On the other hand the exceptionally good crop of raw jute enabled the jute industry to produce more or less at full capacity and the output of jute manufactures increased by more than a third during the first half of 1962-63; in the subsequent months also a high level of production has been maintained. Vanaspati production increased by more than 10 per cent during April-September, 1962 as compared to the corresponding period of 1961. Production of tea during the current year is marginally smaller than last year and a large decline has occurred in the production of coffee, in both cases on account of adverse weather. The following table gives the recent trends in the output of agriculture-based industries:

Production in Agriculture-Based Industries

	Unit	1960-61	1961-62			1962-63 (April-September)*	Percentage change in	
			Total	April-September	October-March		1961-62 over 1960-61	1962-63 (April-September) over 1961-62 (April-September)
Cotton cloth (*Total*) :	million metres	*6738*	*7114*	*3553*	*3561*	*3534*	+5·6	—0·5
Mill . .	,,	4649	4686	2375	2311	2310	+0·8	—2·7
Decentralised sector .	,,	2089	2428	1178	1250	1224	+16·2	+3·9
Jute textiles .	'000 tonnes	1070	1002	446	556	604	—6·4	+35·4
Sugar† . .	,,	3029	2745	..	..	..	—9·4	..
Tea . .	million kgs. .	317	348	234	114	233	+9·8	—0·4
Coffee . .	'000 tonnes .	54·1	66·6	32·3	34·3	20·9	+23·1	—35·3
Vanaspati .	,,	340	341	158	183	175	+0·3	+10·8

*Provisional

†During the sugar season November-October

43. *Other Industries*: The rest of the industrial scene is dominated by the availability of iron and steel, coal, transport and power and materials such as non-ferrous metals, alloy, tool and special steels, engineering components and chemical intermediates which are largely imported from abroad. The slowing down in the rate of growth of industrial production in 1961-62, despite a better turn out in agriculture-based industries, was at least in part due to the shortages of these items. In recognition of these bottlenecks, measures were initiated in 1961-62 and further strengthened during the current year to relieve the shortage of coal, transport and power and to accelerate the production of iron and steel. These measures are described in Sections III and IV.

44. The improvement in the availability of power and transport and the increase in production of coal and steel during the current year had a beneficial effect on other basic industries, production of which has also increased. The following table summarises the recent trends in the output of selected industries:—

Output in Selected Industries

	Unit	1960-61	1961-62			1962-63 (April-September)*	Percentage change in	
			Total	April-September	October-March		1961-62 over 1960-61	1962-63 (April-September) over 1961-62 (April-September)
Coal	million tonnes	55·5	55·2	26·4	28·8	29·9	—0·5	+13·3
Finished steel	,,	2·4	3·0	1·4	1·6	1·8	+25·0	+28·6
Aluminium (virgin metal)	'000 tonnes	18·3	19·9	8·8	11·1	16·4	+8·7	+86·4
Cement	million tonnes	8·0	8·3	4·0	4·3	4·1	+3·8	+2·5
Electricity generation	billion kwh.	16·9	19·8	9·7	10·1	10·8	+17·2	+11·3
Chemicals	Index 1956=100	141·2	195·4	170·1	220·7	225·1	+38·4	+32·3
Metal products	,,	114·7	158·6	148·0	169·3	182·4	+38·3	+23·2
Electrical machinery	,,	184·9	189·6	193·6	185·6	208·2	+2·5	+7·5
Transport equipment	,,	127·6	131·4	131·1	131·8	144·2	+3·0	+10·0

* Provisional.

The index of metal products increased by 23 per cent in the first half of 1962-63 as compared to the corresponding period of 1961-62 and of transport equipment by 10 per cent. Production of electrical machinery has also increased by 7·5 per cent, the main increase being in power transformers and electrical motors. With the availability of power from Rihand, aluminium output has shown an impressive increase in the current year and is likely to be around 40,000 tonnes over the whole year as

compared to half as much in 1961-62. Production of copper is also expected to increase by 10 per cent over the year. Among the chemical industries, caustic soda industry is working to full capacity and there was better utilisation of capacity in soda ash, the output of which has gone up by more than 20 per cent. Production in chemical industries as a whole increased by 32 per cent. Cement production has shown a marked increase since the declaration of emergency and by December 1962 the industry was working at almost full capacity, production in that month being 0·87 million tonnes against the monthly average of 0·70 million tonnes maintained all through 1961-62 and the first eight months of 1962-63. During the current fiscal year, production is expected to be around 8·7 million tonnes—an increase of 0·4 million tonnes over last year. With larger imports of materials and numerous components required for engineering and chemical industries, a much greater increase in industrial production would have been possible.

45. Mineral oils, especially kerosene and diesel oils, constitute a major and growing item in the current import bill amounting to about Rs. 90 crores per annum. Nearly 45 per cent of this total consists of imports of crude oil and the balance refined products. The consumption of refined products in the country has risen rapidly from 6·3 million tons in 1957 to about 8·3 million tons in 1961-62—an increase of more than 7 per cent per annum. Demand is expected to increase even faster in future and on present estimates it may go up to 17 million tons by 1966. Nearly one-third of the current consumption of refined products is met from imports; and as much as 90 per cent of the requirements of crude for refineries are also imported at present. Any increase in domestic production of mineral oils, crude as well as refined products, will thus have a significant bearing on the balance of payments. In recognition of this, steps have been taken to increase domestic refining by the maximum utilisation of existing capacity in the private sector. The public sector refinery in Assam has also started production, bringing the indigenous refining capacity to 8·6 million tonnes (in terms of crude). The first stage of Barauni refinery is expected to be completed in 1963, and will add one million tonnes to the existing refining capacity. Some saving on crude imports has been made possible by the production of crude oil at Ankleshwar which has steadily increased and is being currently despatched at the rate of 1800 tonnes a day to the refineries in Bombay. Steps are also being taken for the expansion of refining capacity in the public sector, including the establishment of a new refinery in the South.

46. *Prospects for* 1963-64: In general, the outlook for industries in the coming year appears promising. The textile industries will do better in view of the adequacy of cotton and raw jute production in the current agricultural season. In recent months the off-take of cloth both for domestic consumption and exports has shown a decline; to the extent that the industry is able to adjust its cost and prices to the market demand situation, there should be no difficulty in achieving a substantially higher production of cloth in the coming year. The incentive for higher production of cement, through the grant of increased price on additional production, is likely to lead to increase in cement capacity and production. With greater availability of the basic supplies—coal, steel, power and transport—an all round increase in industrial production can be expected provided adequate foreign exchange is available to meet the complementary materials and components which have to be imported from abroad.

III. Coal and Steel

47. *Coal*: The following tables show the recent trends in production and movement of coal:

Coal Production

(million tonnes)

	1960-61	1961-62			1962-63 (April-September)
		Total	April-September	October-March	
Private Sector	44·88	46·34	22·49	23·85	24·71
N.C.D.C.	8·06	6·05	2·60	3·45	3·62
Singareni	2·57	2·83	1·35	1·48	1·54
TOTAL	55·51	55·22	26·44	28·78	29·87

Movement of Coal

(million tonnes)

	Total Despatches			Movement by the rail-*cum*-sea route
	West Bengal/ Bihar coal-fields	Outlying fields	Total	
1960-61				
April-September	17·51	5·28	22·79	0·57
October-March	19·29	5·57	24·86	·55
TOTAL	36·80	10·85	47·65	1·12
1961-62				
April-September	19·65	5·57	25·22	0·74
October-March	20·00	5·64	25·64	0·81
TOTAL	39·65	11·21	50·86	1·55
1962-63				
April-September	21·21	6·02	27·23	0·98

Although coal production declined in 1961-62, there was some improvement in aggregate coal supplies through the gradual reduction of pit-head stocks from 5·6 million tonnes in March 1961 to 3·8 million tonnes by March 1962. This was made possible by the progressive improvement in transport, despatches of coal having increased from 47·65 million tonnes in 1960-61 to 50·86 million tonnes in 1961-62.

48. The improvement in the transport situation has continued during the current year. In the first half of 1962-63 coal despatches were 27·2 million tonnes as compared to 25·2 million tonnes in the corresponding

period of 1961-62. Despatches from the West Bengal/Bihar coal-fields have also shown an increase. This improvement in transport was reflected in a further decline in pit-head stocks to 3 million tonnes by the end of October 1962, and in the gradual pick-up in coal production, the first half year's total being 29·9 million tonnes as against 26·4 million tonnes in the corresponding period last year. Following the declaration of emergency, the miners have started working all days in the week and this is reflected in a marked increase in coal production in November 1962 when it reached 5·8 million tonnes as against the average of 5 million tonnes during the first seven months of 1962-63. It is expected that over the year as a whole production will reach, if not exceed, the annual plan target of 62 million tonnes.

49. The problem of ensuring adequate transport for the movement of coal is a continuing one. Nearly two-thirds of the additional production in the third plan is programmed to be obtained from West Bengal/Bihar coal-fields where the capacity of the railways is already strained considerably not merely on account of the needs of coal transport but also of transport of raw materials and final products for the steel industry and for numerous other industries. Indeed, the problem of transport shortages has arisen mainly in respect of the eastern region; and the programme of development of the railways is also so designed as to concentrate on the relief of shortage in this area. With a view specifically to meet the needs of coal movement, the third plan programme of railways has been increased by Rs. 120 crores to enable the railways to acquire additional rolling stock, undertake doubling of lines over some 275 additional miles and accelerate the electrification programme.

50. The progress made by the railways with their programmes of development is dealt with in a later paragraph. The other measures taken by Government to improve the movement of coal and augment coal output are given below:

(i) As far as possible the strain on the railways is sought to be relieved by movement of coal by the coastal routes. The target of coal to be moved by the coastal route was fixed at 2 million tonnes a year and towards this end a subsidy is given by Government since May 1961 to make up for the difference in the freight on the all-rail route and the rail-*cum*-sea route. About 1·6 million tonnes of coal had been moved by the rail-*cum*-sea route in 1961-62, and 0·98 million tonnes in the first half of 1962-63.

(ii) Substitution of furnace oil for coal is being encouraged to the extent possible. A concession on rail freight on furnace oil is being given from July 1962.

(iii) A target of additional 2 million tonnes for movement of coal by road from West Bengal/Bihar coal-fields to nearby destinations has also been laid down.

(iv) The movement of coal by rail is being progressively rationalised, primarily with a view to reduce wagon turn-round time by about 20 per cent. Since the major pressure on transport arises in the case of supplies from the West Bengal/Bihar coal-fields, the Coal Controller has been advised to follow a system of allocation of coal from various fields to the consumers so as to divert, to the extent possible, the sources of supply from the West Bengal/Bihar coal-fields to the outlying fields. A revised system of coal distribution has been introduced from February

1963 under which 70 per cent of the coal despatches from West Bengal/Bihar will be in block rakes only, and to the extent possible in BOX type wagons. The question of extending this system to more consumers is under examination.

(v) The study team which was appointed in January 1962 to examine the power requirements of the coal industry and to make recommendations for increasing the supply of power to the collieries submitted its report during the year and recommended several measures for the diversion of surplus power from the existing systems and to rationalise the utilisation of power with a view to meet the needs of the collieries. Several of the recommendations of the study team have been implemented.

(vi) The scales for the grant of subsidy both for stowing and for difficult mining conditions have been liberalised to encourage stowing which would yield immediate benefits in terms of increased production.

51. While the aggregate supplies of coal to the consumers have improved, there is a specific problem of maintaining adequate supplies of superior grade coking coal required primarily by the iron and steel industry and also by fertilisers and other chemical industries. In view of the growing demand for better grades of coal the restrictions on the mining of such coal which were imposed initially in the interest of conservation have been removed. The output of coking coal of selected grades A and B declined in 1961-62 and in the first half of 1962-63 also no increase has taken place. Production of selected varieties of non-coking coal has also been declining.

Grade-wise Production of Coal

(million tonnes)

Grades	1960-61	1961-62			1962-63
		Total	April-September	October-March	(April-September)
Selected A and B	17·92	*16·55*	*8·26*	*8·29*	*7·60*
Coking	6·65	6·40	3·15	3·25	3·06*
Non-coking	11·27	10·15	5·11	5·04	4·54
Others (including coking coal of Grades I and II)	37·59	38·67	18·18	20·49	22·27
TOTAL	55·51	55·22	26·44	28·78	29·87

*The new Grades A,B,C.D and E have been taken as equal to the old selected A and B grades for the period July-September, 1962.

52. The need for increasing the capacity for the washing of coal has thus become urgent. As against the third plan target of a throughput capacity of 25 million tonnes of coal, washery capacity has increased from 7 million tonnes at the end of the second plan to 10 million tonnes by now. As an incentive for production of better grades of coal, the differential between the lower and the higher varieties has been progressively widened from Rs. 3 per tonne in April 1960 to Rs. 7 per tonne. The number of grades of coal has also been increased so as to permit a greater price

differential, especially among the coking coals of ash content 13 to 17 per cent where the differential has been increased over the two years from Re. 1 per tonne to Rs. 4 per tonne.

53. The National Coal Development Corporation has already processed most of the programmes for the additional production of 17 million tonnes allotted to it and has reached a stage where large-scale orders for equipment can be placed. The foreign exchange component of the private sector expansion has been covered by the World Bank loan of $35 million; applications for utilisation of this loan have been received and several collieries have placed orders for the import of equipment. Altogether it is expected that in the coming year the situation in regard to the supply of coal as also of selected varieties of coal will improve considerably.

54. *Steel*: The six main producers of steel—two in the private and four in the public sector—produced 3·2 million tonnes of saleable steel in 1961-62 and their output is expected to reach 4·1 million tonnes in 1962-63.

Production of Saleable Steel

(million tonnes)

Main Producers	1961-62	1962-63 (Estimated)
TISCO	1·31	1·32
IISCO	0·74	0·81
Bhilai	0·52	0·77
Durgapur	0·36	0·65
Rourkela	0·20	0·47
Mysore	0·04	0·04
TOTAL	3·16	4·06

The two-million-ton (ingot capacity) expansion programme of Tata Iron and Steel Company (TISCO) and the one-million-ton programme of the Indian Iron and Steel Company (IISCO) have been completed. In the public sector, Bhilai's output of finished steel during the current year is expected to equal full capacity level. Durgapur had reached the full capacity rate of production of ingot steel by January 1963 and Rourkela nearly 90 per cent of its capacity. On the basis of current trends, production of saleable steel during the coming year is expected to reach 4·4 million tonnes. The demand for steel is, however, increasing necessitating continuance of imports of nearly one million tonnes of iron and steel.

55. In the case of certain varieties of steel, indigenous production has increased sufficiently to enable relaxation of distribution controls. But in the case of other varieties, particularly thinner plates, sheets, tin plates and billets for rerollers, the shortages persist. In the meanwhile, problems of steel control and distribution are under examination by an expert committee with a view to recommending measures for bringing about a better balance between the supply and demand for different categories of steel.

56. It is, however, clear that although steel production has increased and is expected to increase further, there is little likelihood of any impressive increase in civilian supplies during the coming year. The programmes of further expansion of public sector plants have already got under way, but they will begin to bear fruit only towards the end of the third plan. The first phase of the programme of further expansion of one of the private sector steel plants, which has recently been approved by Government, will also take time before it gets under way.

57. In the case of alloy, tool and special steels, considerable capacity has been licensed in the private sector and the Durgapur project in the public sector is ready to place orders for equipment. An emergency programme has also been undertaken for producing about 50,000 tonnes of such steels in the public sector plant at Mysore. But considering the progress made so far in this field, dependence on the imports of special steels will continue for some years to come.

IV. Power and Transport

58. *Power*: There has been a rapid increase in the consumption of power in recent years, as the table below specifies :—

Annual Percentage Increase in Sales of Electricity

Period	Total Sales	Sales to Industries
1950/1955	11·4	12·6
1955/1960-61	13·7	14·8
1961-62	17·8	22·1

Consumption by industries, accounting for nearly 70 per cent of aggregate consumption, has increased more rapidly than total consumption and also faster than increase in industrial production signifying substitution of electricity for other conventional fuels, and relatively faster growth of industries using electricity. As against the annual plan target of increase in power capacity of 600 mw in 1961-62 and 730 mw in 1962-63, actual addition to capacity in the first year of the third plan was 580 mw and in the second year it is expected to be 650 mw, bringing the total generating capacity in the country to 6·9 million kw. The bulk of the increase in power capacity in the second plan period, as in the first two years of the third plan, has occurred in regions other than West Bengal/Bihar. While the aggregate generating capacity increased at the rate of 11·3 per cent per annum in the second plan period, the increase in the West Bengal/Bihar region where the growth of industrial demand can be expected to have been large was only 7·6 per cent per annum. The addition to capacity in 1961-62 also came primarily from Bhakra in Punjab and Rihand in U.P. In the second year of the plan major additions to capacity are expected from Koyna in Maharashtra, Hirakud in Orissa and thermal units in U.P.

59. Since the power shortage thus is primarily a regional shortage, Government have sanctioned additional schemes for quick generation of thermal power in the West Bengal/Bihar region and arrangements have been made for the diversion of surplus power from other States to this region. For instance, parallel operation of the DVC system with the Rihand system has already been accomplished, and a peaking power of 80 mw is being drawn from Rihand to relieve power shortage in the DVC/Bengal/Bihar area. Similarly, arrangements have been made for diverting power from Hirakud. The dates of commissioning of power projects are also being advanced to the extent possible and a central pool of generating sets has been set up with a total capacity of 50 mw to be moved to places where power is needed in emergency. Several of the power projects expected to be completed early in 1963-64 will add about 150 mw of capacity.

60. The Third Plan has set a target of increasing power generating capacity to 12·7 million kw (or more) by 1965-66. The import requirements of most of the power programmes are already covered by aid, and a marked increase in utilisation of aid also occurred during the current year. Additions to power capacity have to be planned on the basis of maximum demand expected on the various power systems. The maximum demand on individual power systems has been increasing faster than the generating capacity; up to a point this is a factor contributing to better utilisation of available capacity, but beyond a point it cannot but strain the individual power systems. While generating capacity has to be located in regions where energy resources are available, demand may be concentrated in other regions. To meet this problem, the possibilities of creating zonal grids linked eventually to an all-India grid, are being explored in consultation with the State Governments. Two expert survey teams, one to undertake power survey and the other for energy survey, have also been set up recently to examine the long-term development of energy resources of the country.

61. *Railways*: As mentioned earlier, the railway development programme has been enlarged to facilitate the movement of coal. Addition to the programme is also envisaged for increasing the capacity for general goods traffic and for advance action for meeting future requirements of coal movement. The following table shows the increase in goods traffic in recent years.

Year	Tons Originating (millions)	Annual percentage increase
1950-51	91·5	..
1955-56	105·8	2·9
1960-61	153·5	7·6
1961-62	160·3	4·7
1962-63 (estimated)	175·0	9·2

Against the original third plan target of increase of 60 per cent in goods traffic the actual increase which has occurred in the first two years is about 14 per cent.

62. An important part of the railway development programme consisted of construction of new lines mainly for movement of iron ore to ports, doubling of lines in the traffic-congested sections, acquisition of additional rolling stock, and electrification of the Gomoh-Gaya-Mugalsarai-Kanpur line, a distance of nearly 450 miles, to improve the speed of trains and thereby utilise existing line capacity more effectively. The outlay on the railway programmes in the first two years of the third plan has been of the order of 40 per cent of the initial five-year provision and taking into account the expenditure proposed for the coming year, railways will have spent nearly 75 per cent of the outlay originally proposed for the third plan. Nearly two-thirds of the total outlay on the line capacity works (*i.e.* doubling of existing lines, improvement in marshalling yard facilities etc.) has been incurred. About 50 per cent of the electrification programme has already been completed. The electrification of the Gomoh-Gaya section was completed in the first year of the third plan and in the second year, the Gaya-Mugalsarai section was commissioned. Work is in progress on the electrification of the rest of the line which, when completed, will help considerably the transport of coal and other goods to destinations "above Mugalsarai". Further progress was made in the construction of new lines in Orissa which aim at connecting the iron ore mines to the port of Visakhapatnam.

63. With the improvement in steel supplies, indigenous production of wagons has increased and the railways have been able to acquire (from domestic production and by way of imports) 12,293 wagons in the first six months of 1962-63 as against 19,114 wagons in the whole of 1961-62. Thus nearly 25 per cent of the programme of wagon acquisition has already been completed. With a view to maximise the use of rolling stock and obtain better turn-round of wagons, the railways have introduced in recent years a system of moving bulk traffic in block trains, not merely for coal traffic but also for other goods traffic. In 1961-62, 11·2 per cent of the broad gauge traffic other than coal and railway stores was moved in block trains as against only 6·4 per cent in 1959-60.

V. Budgetary Transactions

64. The Central and State budgets for the current year stepped up total outlay by Rs. 428 crores to Rs. 3,385 crores. Nearly 62 per cent of this increase amounting to Rs. 266 crores was in the provision for outlay on the plan which was placed at Rs. 1,465 crores as against the Revised Estimate of Rs. 1,199 crores in 1961-62. Increase in defence expenditure absorbed another 11 per cent and in interest on public debt a further 5 per cent of the total increase in outlay. The balance was distributed in small increases over a number of items, developmental as well as non-developmental. Non-plan development expenditure rose by as much as Rs. 134 crores in 1961-62 due to maintenance and running expenditure on schemes completed during the second plan becoming a commitment outside the plan from the beginning of the third plan. A further increase of only Rs. 66 crores in non-plan development expenditure was budgeted in 1962-63; half of this increase was due to larger provision for stock-piling of foodgrains.

65. Nearly half of the increase in the total outlay was to be financed by the step-up in current revenues of the Centre and States including yield from additional taxation. The Centre raised a sum of Rs. 89 crores through

fresh taxation including increases in railway fares and freights in succession to a sum of Rs. 85 crores raised during the preceding year. States have raised Rs. 33 crores during the current year as compared to Rs. 14 crores in the preceding year. These measures are expected to bring in a total sum of Rs. 1,180 crores over the plan period as compared to the target of Rs. 1,710 crores set for additional taxation in the Third Plan.

66. After allowing for the expected increase in domestic borrowing and the utilisation of external assistance, the overall deficit was estimated at Rs. 119 crores as against the Revised Estimate of Rs. 134 crores in the preceding year. The following table sets out the relevant details.

Budgetary Transactions of the Central and State Governments

(Rs. crores)

	1960-61	1961-62 (R.E.)	1962-63 (B. E.)
I. *Total Outlay*	*2563*	*2957*	*3385*
(a) *Development**	*1727*	*1989*	*2321*
1. Plan	1071	1199	1465
2. Non-plan	656	790	856
(b) *Non-development***	*836*	*968*	*1064*
1. Defence (net)	281	328	376
2. Interest on public debt	116	139	162
3. Tax collection charges	70	75	77
4. Police	94	109	114
5. Others	275	317	335
II. *Current Revenues*	*1720*	*1902*	*2088*
(a) Tax Revenue	1354	1481	1627
(b) Non-tax Revenue†	366	421	461
III. *Capital Receipts (net)*	*891*	*921*	*1178*
(a) *Internal*	*510*	*580*	*667*
1. Market Loans (net)‡	138	141	161
2. Small Savings and Prize Bonds (net)	119	98	110
3. Provident Funds (net)	60	51	54
4. Miscellaneous Capital Receipts (net)	193	290	342
(b) *External*	*381*	*341*	*511*
1. External loans (net)	216	280	413
2. Foreign grants	33	37	58
3. P. L. 480 investments in special securities (net) §	132	24	40
IV. *Overall Deficit*	*—48*	*134*	*119*

*Includes plan expenditure of Railways and non-departmental undertakings out of their own resources as well as loans by the Central and State Governments to local bodies, non-departmental commercial undertakings (including Electricity Boards) and other parties.

**Excludes transfers to Special Development Fund and other funds.

†Includes contributions of the Railways and non-departmental undertakings for the plan.

‡Includes borrowings by State Electricity Boards.

§Excludes transfer of PL 480 funds from the State Bank of India which is taken as internal receipt under Miscellaneous Capital receipts

67. The Chinese aggression necessitated acceleration in defence expenditures and a supplementary provision of Rs. 95 crores was made in November. There has also been increase in expenditures incidental to defence such as on civil defence in the various States. Part of this increase is, on present expectations, likely to be offset by some shortfall in plan and non-plan expenditures. Even so, the year is likely to end with a much larger outlay than originally budgeted for.

68. On the resources side tax revenues have been showing greater buoyancy than anticipated at the beginning of the year. Collections under income-tax, Union excise duties and customs during the first nine months of the year have amounted to about 80 per cent of the Budget Estimate for the year. On this trend total tax revenue is likely to be significantly larger than originally anticipated. Part of this is, however, expected to be offset by smaller contributions from public undertakings other than railways. Even so current revenues are expected to show some improvement over the Budget Estimate.

69. Market loans floated by the Central and State Governments including State Electricity Boards have brought in Rs. 176 crores as compared to the Budget Estimate of Rs. 161 crores. Following the declaration of emergency, Government issued on tap 10-year National Defence Bonds bearing 4¼ per cent interest and 15-year Gold Bonds (to be subscribed in gold valued at international price) bearing 6½ per cent interest and exempt from wealth tax and capital gains tax. A new series of Premium Prize Bonds offering 10 per cent premium was also issued. The National Defence Bonds and collections under National Defence Fund together are expected to bring in additional Rs. 65 to 70 crores over the year. Another Rs. 9 crores is the likely receipt from Emergency Insurance Schemes.

70. Small savings continued to show a downward trend in the first quarter of the current fiscal year. Net collections in Post Office Savings Banks during the quarter ending June amounted to Rs. −9·4 crores as against Rs. −3·4 crores in the corresponding quarter last year. The 10-year Treasury Savings Deposit Certificates also showed a decline. As a result, net collections under small savings were practically nil for the quarter as against Rs. 7·3 crores in the same quarter of the preceding year. To arrest this trend the rate of interest on POSB deposits was raised by ½ per cent with effect from 1st August, 1962. The rate of commission payable to authorised agents for canvassing investment in Treasury Savings Deposit Certificates and Annuity Certificates was increased from ½ per cent to 1 per cent with effect from 1st June, 1962. Co-operation of employers and trade unions was secured for extension of the pay roll saving scheme. As a result, a small improvement has been noticed and net collections from small savings rose to Rs. 22·6 crores during the second quarter of the current year as compared to Rs. 22·4 crores in the corresponding quarter last year. For accelerating small saving collections more effectively in the present emergency two new series—10-year Defence Deposit Certificates and 12-year National Defence Certificates—have been issued in replacement of the earlier certificates, both bearing higher rates of interest.

71. Miscellaneous capital receipts are likely to be lower because of shortfall in repayment of loans from third parties and smaller accretions to miscellaneous deposits. Utilisation of external loans, although larger than in the previous year, is not expected to reach the level anticipated in the Budget. On the whole, therefore, the year is likely to close with a higher overall deficit than originally planned.

72. The actual outlay on the plan during the first two years is likely to be around Rs. 2,600 crores. This works out to about 35 per cent of the total provision of Rs. 7,500 crores on the third plan.

VI. Money and Capital Market

73. *Monetary Trends*: The pace of monetary expansion which had slackened somewhat in 1961-62 got accelerated during the current year. During April to October 1962 (the major part of which is the usual slack season) money supply with the public declined by only Rs. 21 crores in contrast to a decline of Rs. 58 crores during the same period in 1961. The smaller decline in money supply during the earlier part of the current year was mainly a reflection of the fact that bank credit to the private sector did not show as large a seasonal decline in 1962 as during 1961. In fact between the end of March and the end of October, there was a small increase in bank credit (gross) to the private sector during the current fiscal year. Reserve Bank's credit to Government (as also credit extended by commercial banks to Government) was about the same during the earlier part of the current year as in the corresponding period of last year. The following table shows the factors which contributed to the changes in money supply during 1961-62 and 1962-63:

(Rs. Crores)

	1961-62		1962-63	
	March 31 to October 27	October 28 to January 26	March 31 to October 26	October 27 to January 25
1. *Net bank credit to Government*	*+133*	*+84*	*+138*	*+101*
(a) Reserve Bank's net credit to Government*	+16	+111	+18	+134
(b) Banks' holdings of Government securities†	+117	—27	+12	—33
2. *Net bank credit to the private sector (2a-2b)*	*—151*	*+64*	*—107*	*+80*
(a) Bank advances and holdings of private securities (gross bank credit)	—51	+98	+14	+92
(b) Banks' time deposits†	+100	+34	+121	+12
3. Net foreign exchange assets of the Reserve Bank	—51	—7	—49	+3
4. *Money supply with the public**	*—58*	*+118*	*—21*	*+128*

*The receipt of Rs. 34 crores by way of loan from the Kuwait Government is ignored in computing the Reserve Bank's credit to Government and correspondingly the withdrawal of Rs. 34 crores of currency from Kuwait is ignored in the calculation of variations in money supply.

†The figures of time deposits ignore the variations in the P. L. 480/C65 deposits held with the State Bank of India and correspondingly the disinvestment made by the State Bank of India to finance the fall in time deposits is ignored.

74. Since November 1962 the pace of monetary expansion in the current fiscal year has been about the same as during the corresponding period of 1961-62. Money supply with the public during November—January this year increased by Rs. 128 crores as against Rs. 118 crores last year. The Reserve Bank's lending to Government amounted to Rs. 134 crores this year as against Rs. 111 crores last year. Bank advances to the private sector have shown the same order of increase as in the corresponding months of the previous year.

75. The resources of the banks increased further during the current year and although credit expansion by banks between March, 1962 and January, 1963 was larger, the banks were able to meet the demand for credit from their own resources and also add to their investments in Government securities. The deposit resources of the scheduled banks (exclusive of P.L. 480/P.L. 665) rose by Rs. 150·6 crores between March, 1962 and January, 1963—Rs. 127·6 crores in time deposits and Rs. 23·0 crores in demand deposits. Several factors have contributed to the growth of bank deposits. The official measures to strengthen the banking structure by the compulsory merger of substandard units with the sound banks, the setting up of the Deposit Insurance Corporation in January, 1962 and also the higher deposit rates offered by the banks under the Inter-Bank Agreement have helped to attract more funds to the banks. Altogether, in the last few years, the aggregate deposits with the banks have risen faster than currency; and the number of deposit accounts has increased at an average annual rate of about 12 per cent over the last five years.

76. The improved resources position of the banks is reflected in the decline in the credit-deposit ratio and an increase in banks' investments in government securities. The credit-deposit ratio for scheduled banks (exclusive of P.L. 480/P.L. 665) declined from 84·8 at the end of March 1961 to 78·5 by March 1962. The credit-deposit ratio at end-January 1963, *i.e.* in the midst of the busy season, was 75·5 per cent as compared to 76·8 per cent in 1962 and 80·1 per cent in 1961. In the first ten months of 1962-63 the scheduled banks increased their holdings of government securities by Rs. 83·7 crores as compared to an increase of Rs. 90·4 crores in the corresponding period of 1961-62 and disinvestment of Rs. 37·0 crores in 1960-61.

77. Since the introduction of the three-tier system of rates for borrowings from the Reserve Bank of India the scheduled banks have generally been reluctant to borrow from or to remain indebted to the Reserve Bank for long. In 1961, the scheduled bank borrowings from the Reserve Bank had reached a peak of Rs. 94·5 crores at end-March 1961. The peak level of borrowing from the Reserve Bank during 1962 was much lower—Rs. 66·4 crores in the week ended March 16, 1962. During the current busy season borrowings from the Reserve Bank were Rs. 24·0 crores at the end of January as compared to Rs. 18·8 crores at the same time in 1962.

78. *Monetary Policy*: The orientation of monetary policy over the past few years has been towards a gradual and orderly increase in interest rates. The substitution of the three-tier system of rates which was in force from October 1, 1960 by a four-tier system (effective from July 2, 1962) meant a raising of the average lending rate of the Bank by about ½ per cent or more. After the declaration of the national emergency, further precautionary measures have been taken to check undue credit expansion. The scheduled banks' normal access to the Reserve Bank has been pegged at the average level of their statutory reserves with the Bank in the preceding quarter. Borrowings beyond this limit depend on the Reserve Bank being satisfied regarding the overall position of the

borrowing banks and the justification for their additional financial needs. On January 2, 1963 the Bank Rate was raised by ½ per cent to 4½ per cent and simultaneously the system of quotas and lending rates was simplified. The increase in Bank Rate, in effect, formalised the previous pattern of effective lending rates by the Bank. The present lending rates of the Reserve Bank are 4½ per cent up to 50 per cent of the statutory reserves of the scheduled banks and 6 per cent for another 50 per cent of the statutory reserves. Lending beyond this limit *i.e.* beyond 100 per cent of a bank's statutory reserves is discretionary and subject to a penal rate of interest.

79. The Bank has continued to employ selective credit controls in a flexible manner along with other instruments of credit policy. In view of the pressure on prices of rice, existing controls on advances against paddy and rice were tightened in January, 1963. New ceiling limits for advances against paddy and rice have been fixed and advances against warehouse receipts which were formerly exempt have now been brought within the ambit of control. At the same time, the Bank has relaxed its existing controls on advances against groundnuts with a view to permit additional credit limits to be granted to exporters.

80. The scheduled banks have also progressively increased their lending rates, the average rate on advances having gone up from 5·8 per cent in the first half of 1960 to 6·5 per cent in the second half of 1961. A number of scheduled banks have recently agreed to fix their minimum lending rates at 6½ per cent *i.e.* two per cent above the Bank Rate. The other financial institutions had also raised their rates earlier in the year. The Industrial Finance Corporation raised its lending rate by ½ per cent to 7½ per cent (less ½ per cent discount, as in the past, for punctual payments) on July 19, 1962. The Industrial Credit and Investment Corporation and the State Financial Corporations have also made similar increases in their lending rates. The Life Insurance Corporation raised its effective rate on mortgage loans from 6½ per cent to 7 per cent on July 18, 1962. The rates on Central Government's lending to States have also been increased during the current year.

81. *Trends in Capital Market*: The gilt-edged market showed the impact of the uptrend in the interest rate structure. There was a steady trend up to June 1962. Since July gilt-edged prices tended to decline in a process of adjustment to the new pattern of yields based on the terms of new loans announced by government in July 1962. The index of government and semi-government securities (1952-53=100) which was 100·7 in January 1962 and was about the same level in June 1962, declined steadily thereafter, the level at end-January 1963 being 99·2.

82. The stock markets had been buoyant at the beginning of 1962 and the uptrend continued till the middle of May 1962. This was followed by a reaction which, except for a brief spurt in August, continued throughout the remaining part of the year. The downtrend in share prices was further accentuated in October and in the first week of November, there was a sharp fall in share prices. The index of variable dividend industrial securities which had risen from 180·9 in October 1961 to 195·3 in May 1962 declined to 168·8 during the week ended November 10, 1962. As a result of the measures taken by the stock exchanges and the Government, there was some revival in the following weeks and the index had gone up to 172·5 by the beginning of 1963; but the general feeling of uncertainty continues.

83. It is difficult to say on the basis of available data whether the subdued sentiment on the stock exchange has had any adverse effect on private investment. Capital issues made during 1962 by relatively large public limited companies (other than government companies) are estimated at Rs. 98·1 crores (including Rs. 30 crores of debenture issue by Oil India) as against Rs. 71·6 crores in 1961. The amount of consents for capital issues—an approximate indicator of investment intentions of the private sector—also rose from Rs. 133 crores in 1961 to Rs. 165 crores in 1962. On the other hand, there has been some slowing down of fresh applications for industrial licences and for capital issues in recent months; new issues on the stock market have been less than usual since November 1962.

VII. Prices

84. *Recent Trends*: The decline in the level of wholesale prices which commenced in August 1961 continued till December and wholesale prices remained more or less stable during the first three months of 1962. The average level of the index of wholesale prices for 1961-62 was 125·1 which was only fractionally higher than in 1960-61. Foodgrain prices for the greater part of 1961-62 were lower than at the corresponding time of the previous year. The decline in prices of raw jute and jute textiles since March 1961 also helped to offset the rise in prices of food articles and other manufactures.

85. Since April 1962, however, there were signs of renewed pressure on prices. The output of foodgrains in 1961-62 was slightly lower than the peak output of the previous year and the output of cotton and sugarcane was also smaller. Between March and August 1962 the general level of wholesale prices rose by 6·1 per cent mainly due to a rise in the prices of foodgrains. There was a sharp increase in the prices of gur (raw sugar) and prices of tea, oilseeds, edible oils and cotton also recorded some increase. The following table brings out the effect of the rise in prices of foodgrains and other food articles on the general index:

Index Numbers of Wholesale Prices

(1952-53=100)

Commodities	Weights	March 1962	August 1962	Contribution (per cent) to rise in general index
Food Articles	*50·4*	*119·1*	*131·5*	*83*
of which :				
Rice	11·3	103·2	113·9	16
Jowar	1·0	120·1	140·5	3
Pulses	4·2	94·1	113·0	11
Sugar	1·8	124·1	133·6	2
Gur	3·0	117·9	161·4	17
Others	*49·6*	*128·2*	*130·7*	*17*
All Commodities	*100·0*	*123·6*	*131·1*	*100*

86. The peak level of prices in August 1962 was 4·1 per cent higher than a year ago and for the next 2½ months the level of prices continued to be 4 to 5 per cent higher than what it was in the corresponding period of 1961. Although the normal seasonal decline in prices was somewhat delayed, a sharp downward trend set in from about the middle of November and by the end of the year the index for rice had declined from 117·0 to 108·1; of jowar from 139·5 to 128·9; and of gur from 166·1 to 145·8. The general index of wholesale prices fell from 130·8 to 125·3 by the end of December 1962 and was around 126 in January 1963. The index for January 1963 was 2·2 per cent higher than a year ago and the average level of prices for April 1962—January 1963 was also 2·2 per cent higher than for the same period in 1961-62.

87. The following table gives the trends in wholesale prices of selected commodities during the last two years:

Index Numbers of Wholesale Prices

(1952-53=100)

Average of weeks	March 1961	Aug. 1961	Dec. 1961	March 1962	Aug. 1962	Dec. 1962
Food Articles . . .	*117·5*	*124·3*	*117·8*	*119·1*	*131·5*	*122·8*
Cereals . . .	100·2	105·0	100·8	102·2	109·5	104·3
of which :						
Rice	101·1	110·1	101·9	103·2	113·9	109·8
Wheat . . .	91·1	88·5	93·8	94·3	92·6	88.9
Jowar	110·4	112·8	108·6	120·1	140·5	131·6
Pulses . . .	92·8	90·6	93·5	94·1	113·0	102·6
Edible oils . . .	163·8	159·0	153·1	153·0	159·4	149·9
Sugar and Gur . .	117·3	124·6	114·4	120·2	151·2	141·4
Tea	207·5	217·7	163·8	162·7	170·3	183·5
Industrial Raw Materials .	*159·1*	*144·6*	*136·6*	*136·1*	*139·6*	*133·9*
of which:						
Raw Cotton . .	110·9	105·0	108·7	112·1	113·5	111·6
Raw Jute . . .	270·9	179·9	145·4	148·3	145·8	144·9
Oil Seeds . . .	159·7	162·7	153·5	149·3	160·4	146·4
Manufactures . . .	*129·7*	*126·3*	*126·6*	*126·4*	*129·0*	*128·7*
Cotton Textiles . .	126·8	127·5	128·0	128·2	129·3	131·9
Jute Textiles . .	161·6	121·1	117·7	114·4	111·1	109·4
Woollen Textiles . .	110·1	123·1	113·1	125·4	141·3	141·3
Iron and Steel Manufactures	151·2	151·6	151·6	152·0	160·8	161·0
Chemicals . .	105·1	111·6	111·2	112·6	115·1	116·2
All Commodities .	*127·5*	*127·5*	*122·3*	*123·6*	*131·1*	*125·3*

The striking feature of the present structure of prices is the relative stability in prices of major cereals like rice and wheat over the last decade. As compared to 1952-53, present wheat prices are lower by 10 per cent whereas rice prices are 10 per cent higher. The increase in prices of some of the other food articles has, however, been more pronounced reflecting in the main the shortage of supplies in relation to demand.

88. The All-India Working Class Consumer Price Index (1949=100) continued to increase till October 1962 when it reached the high level of 134-an increase of 4·7 per cent since January 1962. As usual, there has been a slight decline in retail prices towards the end of the year. The average level of consumer price index in April-December 1962 was 132 as against 125 in the same period last year. Many of the existing indices of consumer prices are based on pre-war patterns of family consumption which have undergone marked changes in recent years. New series of consumer price indices have been under preparation to show more realistically the changes in the cost of living of different classes of the community.

89. The pressure on prices which was quite marked between 1958 and 1960 has been moderate in the last two years; and the current level of wholesale prices is more or less the same as at the commencement of the third plan. In recent months, the weak undertone on the stock exchanges, the declining trend in bullion prices and the effect of Gold Control Rules, the need for commercial banks to readjust their advances portfolios to avoid an over-extended position—all these have had an impact on market sentiment and have contributed to a lessening in the pressure on prices.

90. *Government Policies*: The price policy of Government during the current fiscal year was primarily concerned with preventing an undue increase in the prices of essential commodities. It was recognised that adequate increase in the production of these commodities was a necessary condition for maintaining their prices at reasonable levels; and that in the case of some commodities marginal increases in prices received by producers would stimulate production. At the same time suitable control or regulation of distribution was necessary to ensure that the prices paid by the consumers were not unduly high. Reference has already been made in an earlier section to measures in respect of producers' prices of wheat, rice and sugarcane and ceiling prices of cotton which aim at stimulating production of these commodities. With a view to preventing any sharp fall in the prices of raw jute, which would eventually have an unfavourable effect on production, exports of low grade jute were permitted and the operations of the Jute Buffer Stock Association were supplemented since October 1962 by purchases by the State Trading Corporation through the apex co-operatives. Following the declaration of emergency, the mills were required to make certain minimum purchases in the months of November and December 1962 and January 1963; they were also asked to maintain certain minimum stocks of raw jute with them. The State Governments have been given financial assistance to undertake raw jute purchases.

91. While the incentive to higher production of cotton is sought to be provided, among others, by an increase in the ceiling prices of cotton, it was felt that the control on cotton prices had to be continued in view of the shortage. The new cotton policy announced in September, 1962 provided for compulsory survey of cotton at the last stage, *i.e.*, after the delivery is taken by mills and other consumers. It was also provided that purchases by mills should be made through approved supervisors who

would survey and determine their proper grade of cotton. Restrictions were imposed on the maximum amount of cotton which mills could stock with them. Future trading in cotton was regulated by the Forward Markets Commission with a view to curbing speculative tendencies and towards the end of November 1962, forward trading in kapas (unginned cotton) was altogether banned. With the expectation of a substantially improved crop during the current year, cotton prices tended to decline towards the end of 1962 and some of the restrictions imposed earlier have been relaxed. The quotas of mills' purchases have also been increased.

92. As regards the prices of food articles, a series of measures have been taken to augment supplies and regulate trading with a view to protect the consumer. In view of the increase in the prices of millets and rice which had occurred in the earlier part of 1962-63, larger releases of wheat from official stocks were authorised in the millet and rice consuming areas. Issues of wheat from Government stocks in Maharashtra were twice as much during October-December 1962 as during the corresponding quarter of 1961. In the six major rice and jowar consuming areas, Government released about 7 lakh tonnes of wheat during the three months ending December 1962, an increase of more than 60 per cent over similar releases in October-December 1961. The programme of imports of rice has been reviewed with a view to obtain larger quantities from abroad. A contract for the supply of 150,000 tons of rice in the year 1963 has already been signed with Burma. Stocks are also being built up from internal procurement. Selective credit controls continue to be in operation with a view to checking use of bank credit for hoarding. Mention has already been made in an earlier section of the measures which have been initiated for augmenting the supplies of subsidiary foods, prices of which have tended to rise in recent years.

93. Following the declaration of emergency, a further strengthening of the measures of price regulation was made. Several State Governments have fixed controlled maximum prices of rice. The administration of fair price shops is being improved and some State Governments have opened fair price shops for the sale of cloth also. Under the Defence of India Rules, all distributors of drugs and medicines are required to fix maximum prices to be displayed by the retailers. No cut in the quota of drugs and medicines was made in the import policy for the current half year, except in the case of those items which are now being produced internally. Trading in other essential commodities like sugar, kerosene, etc. is sought to be regulated by specific orders issued by the several State Governments. Government has set up a machinery to organise quick flow of information about changes in the prices of essential commodities and to recommend prompt action as and when warranted. From a somewhat longer-term point of view, it is considered desirable that distribution of essential commodities should be through a net-work of consumer co-operatives which would ensure fair practices and reasonable prices.

94. Among administered prices, the retention price of steel payable to the main producers for the period April 1960 to March 1962 was raised by Rs. 10·50 to Rs. 522·50 per tonne, and the question of price to be paid for the period beyond March 1962 is under examination. As mentioned earlier, prices of coal have also been increased. An addition to the fixed retention price has been permitted for additional production of cement. No major change has been made in other administered prices, except that the price of calcium ammonium nitrate has been reduced by about 10 per cent in order to popularise its use.

VIII. Balance of Payments

95. *Overall Position*: The balance of payments has been under considerable pressure since the commencement of the second plan in April 1956. In the initial stages, the foreign exchange requirements of development were met largely by drawing down the foreign exchange reserves. Thus, in the first half of the second plan i.e. from April 1956 to September 1958, the foreign exchange reserves declined by Rs. 567·4 crores. As a result of the measures taken to restrict less essential imports and to secure additional external resources in the form of credits from abroad, withdrawal from reserves was only Rs. 42·3 crores in 1958-59 and Rs. 16·0 crores in 1959-60. Indeed, but for certain extraordinary items of payments such as the purchase of gold of Rs. 18·2 crores for the payment of additional subscription to the International Monetary Fund and also the repayment of Rs. 23·8 crores to the Fund, foreign exchange reserves in 1959-60 would have shown an increase. Since 1960-61, however, the pressure on balance of payments has re-emerged; and the decline in reserves (including net borrowings from the Fund) was Rs. 48·6 crores in 1960-61 and Rs. 64·7 crores in 1961-62.

96. The strain on the balance of payments continued in the first half of 1962-63; and the decline in reserves (inclusive of borrowings from the Fund), at Rs. 63·5 crores, was only Rs. 6 crores less than in the corresponding period of 1961-62. The following table sets out the main trends in the balance of payments since 1959-60:

India's Overall Balance of Payments since 1959-60

(Rs. crores)

	1959-60	1960-61	1961-62* April-Sept.	1961-62* Oct.-March	1961-62* Total	1962-63* April-Sept.
1. Imports c.i.f.	928·3	1102·3	492·0	486·0	978·0	534·3
(a) Private	515·9	644·1	328·7	292·0	620·7	320·0
(b) Government	412·4	458·2	163·3	194·0	357·3	214·3
2. Exports f.o.b.	623·7	630·5	320·3	347·2	667·5	308·7
3. *Trade Balance (2—1)*	—304·6	—471·8	*—171·7*	*—138·8*	*—310·5*	*—225·6*
4. Non-Monetary gold movement	5·9†	..	..	..	..	..
5. Official Donations	38·3	46·4@@	19·6	24·8	44·4	33·7
6. Other Invisibles (net)	75·3	36·2@	—6·6	—5·5@	—12·1@	—1·6
7. *Current Account (net) (3+4+5+6)*	*—185·1*	*—389·2*	*—158·7*	*—119·5*	*—278·2*	*—193·5*
8. Errors and Omissions	*—22·6*	—10·7	7·6	—3·1	4·5	0·1
9. Official Loans (gross)	187·7	245·2	116·7	120·9	237·6	166·2
10. Other Capital Transactions (net)	27·8	106·1	—35·1	6·5	—28·6	—36·3
11. Drawings on I.M.F. (net)	—23·8	—10·7	58·4	..	58·4	11·9
12. Draft on Foreign Exchange Reserves‡	16·0	59·3	11·1	—4·8**	6·3	51·6

*Preliminary.

†Represents gold transferred from non-monetary stocks to official holdings to meet a part of the liability arising from the increased subscription to the I.M.F.

@Includes Rs. 8·3 crores paid to the I.B.R.D. as India's contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

‡Variations in reserves include movements in the foreign assets of R.B.I. and in Government balances held abroad.

**Minus sign indicates an increase in reserves.

@@Includes Rs.8·4 crores earmarked by U.S. authorities to finance export of goods and services to Nepal under the programme of economic aid to that country.

NOTE: Item 9 excludes receipt of refinancing credits from West Germany and item 10 excludes corresponding amortisation Payments.

97. In April-September 1962 there was a deficit on trade account of Rs. 225·6 crores as compared to Rs. 171·7 crores in the same period in 1961. While private imports showed a small decline, there was an increase in imports of food, and of capital equipment and stores for projects in the public sector. Altogether imports were larger by Rs. 42·3 crores. The increase in imports was offset by, and indeed was a reflection of, greater utilisation of foreign aid. Exports declined by Rs. 11·6 crores during April-September 1962 as compared to the first half of 1961-62†. On invisible account, payments of interest on foreign loans were larger; but there was an improvement in other current invisibles, and the outflow of banking capital was lower by Rs. 15·1 crores. On balance, the decline in reserves during April-September 1962 at Rs. 63·5 crores was Rs. 6 crores less than in the corresponding period of 1961. The pressure on reserves has abated since September 1962 and on February 15, 1963, the foreign assets of the Reserve Bank stood at Rs. 105·1 crores as compared to Rs. 93·9 crores at the end of September 1962.

98. *Current Invisibles*: The following table summarises the trends in current invisibles since 1959-60:

Current Account: Invisibles (Net) excluding official donations

(A break up of item 6 in the table in para. 96)

(Rs. crores)

	1959-60	1960-61	1961-62*	1961* April-Sept.	1962* April-Sept.
1 Foreign Travel	+10·1	+4·3	—6·8**	—5·0**	—5·4**
2. Transportation	+23·5	+19·4	+20·9	+10·3	+9·0
3. Insurance	+2·7	+2·2	+1·9	+0·6	+1·3
4. Investment Income	—33·4	—46·2	—58·1	—30·7	—38 0
5. Government not included elsewhere	+37·3	+30·2	+6·6	+5·9	+19·7
6. Miscellaneous	—4·7	—1·6	—1·9**	..**	+1·1**
7. Private Donations	+39·8	+27·7	+25·3	+12·3	+10·8
TOTAL	+75·3	+36·2	—12·1	—6·6	—1·6

*Preliminary

**Incomplete allocation as between "foreign travel" and "miscellaneous".

NOTE: (1) Constituent items may not always add up to total due to rounding.

(2) A plus sign indicates a surplus of receipts over payments and a minus sign indicates the reverse.

†These are balance of payment figures. The figures compiled by the Director General of Commercial Intelligence and Statistics which are based on customs returns show little change in exports between April-September 1962 and the corresponding period of 1961. Both the series are at present provisional and are exclusive of exports from Goa, Daman and Diu.

99. It will be seen that in recent years the invisible items in India's balance of payments have undergone a radical change; instead of being a net source of foreign exchange earnings they now cause a net draft on the foreign exchange resources. In the first half of 1962-63, invisibles (other than official donations) resulted in a net outflow of Rs. 1·6 crores as compared to an outflow of Rs. 6·6 crores in the same period in 1961. This improvement was mainly on account of an increase in receipts under "Government not included elsewhere" of Rs. 13·8 crores. These receipts mostly reflect reimbursements of freight on P.L. 480 cargo and certain disbursements by the U.S. Embassy from the P.L. 480 counterpart funds. Part of the improvement in "Government not included elsewhere" is self-balancing in character because the increase in receipts due to larger U.S. Embassy disbursements from P.L. 480 funds would be matched by an increase in payments on capital account. The basic trend in regard to current invisibles continued to be adverse; and the net outgo on investment income account was larger by about Rs. 7 crores entirely because of larger payments of interest on foreign loans.

100. *Capital Invisibles*: On the capital account, the net outflow by way of amortisation, as shown in the following table, was Rs. 1·5 crores higher than in the first half of 1961-62, but the outflow of banking capital was markedly less—Rs. 7·6 crores in April-September 1962 as compared to Rs. 22·7 crores in the first half of the previous fiscal year.

Other Capital Transactions (net)

(A break up of item 10 in the table in para. 96)

(Rs. crores)

	1959-60	1960-61	1961-62*	1961* April-Sept.	1962* April-Sept.
1. Private capital	—6·9	+15·6	—5·3	—5·8	—6·4
2. Banking capital	+12·5	+13·6	—13·3	—22·7	—7·6
3. Amortisation**	—9·8	—20·8	—29·1	—14·8	—16·3
4. Others†	+31·9	+97·7	+19·1	+8·3	—6·0
TOTAL	+27·8	+106·1	—28·6	—35·1	—36·3

*Preliminary

**Excludes payments met from West German refinancing credits.

†This item is composed mainly of net changes in P.L. 480 counterpart funds.

NOTE: (1) A plus sign indicates a net inflow and a minus sign indicates a net outflow.

(2) Constituent items may not always add up to total due to rounding.

The outflow of banking capital in April-September 1961 was consequent mainly to the raising of the Bank rate in the U.K. As a result of the higher cost of borrowing in India coupled with the lowering of the British Bank rate by stages, the foreign exchange banks did not have the same incentive this year to transfer funds abroad. The improvement in respect of the outflow of banking capital was, however, offset by a worsening in

respect of the residual items under 'other capital transactions' from a surplus of Rs. 8·3 crores in April-September 1961 to a deficit of Rs. 6·0 crores in the first half of this year. This deficit reflects the fact that disbursements from the P.L. 480 counterpart funds exceeded—for the first time—the receipts of new deposits arising from imports.

101. *Imports*: Imports, as already noted, increased by Rs. 42·3 crores. There was an increase of Rs. 51 crores in imports on Government account due to larger imports of foodgrains (Rs. 25·6 crores), of capital equipment for Government projects (Rs. 9·0 crores) and of railway stores (Rs. 12·8 crores).

102. Private imports declined by Rs. 8·7 crores. There were small increases in imports under most categories but these were more than offset by a decline in imports of transport equipment. The following table gives figures of major private imports since 1959-60:

Major Private Imports

(Rs. crores

		1959-60	1960-61	1961-62	1961* April-Sept.	1962* April-Sept.
1.	Food, drink and tobacco**	20·1	25·7	20·8	9·6	9·9
2.	Electrical goods	14·5	17·5	20·3	9·7	10·2
3.	Mineral oils	88·0	86·2	82·0	41·9	44·0
4.	Cotton, raw and waste	39·6	81·1	60·8	40·3	37·4
5.	Chemicals	26·9	33·1	38·1	19·5	22·8
6.	Metals, iron and steel	31·4	56·7	55·7	29·4	27·4
7.	Metals, other than iron and steel	25·3	35·4	30·4	17·2	19·9
8.	Textile yarns	17·5†	15·6	11·6	5·4	6·2
9.	Machinery	94·8	114·2	138·3	68·8	69·2
10.	Vehicles (incl. locomotives)	32·8	44·5	42·3	25·2	15·6
	Total (including others)	*515·9*	*644·1*	*620·7*	*328·7*	*320·0*

*Preliminary

**Including cashew nuts

†Including 'fabrics' also for April-September, 1959.

Source : Balance of payments date

103. *Exports*: The spurt in exports witnessed in 1961-62, when they increased by Rs. 37·0 crores over the preceding year, did not, however, continue in the current year. On the basis of exchange control data, which record exports in terms of value, exports at Rs. 308·7 crores in the first half of 1962-63 are Rs. 11·6 crores lower than in April-September 1961. On the basis of customs returns,* which differ, as explained earlier, from the exchange control data, but which record exports in terms of both value and quantity, the value of exports in April-September 1962 was virtually the same as in the corresponding period of 1961. In terms of volume, however, the increase witnessed in 1961-62 was sustained in April-September

*These returns are recorded and published by the Director General of Commercial Intelligence and Statistics, Calcutta.

1962, but this improvement was almost wholly offset by a decline in export prices particularly in respect of jute goods and tea. But for this decline in prices, which had begun earlier in the second half of 1961-62, export earnings would have registered an increase commensurate with that in real terms.

Index of Exports from India

(1958=100)

	Volume	*Unit value*
1960-61	101·6	110·9
1961-62	106·3	109·6
April-September 1961 . . .	101·3	113·1
April-September 1962 . . .	108·0	106·3

104. The earnings from the major traditional items of our exports, *viz.* tea, jute manufactures and cotton fabrics, had remained relatively stable in 1961-62, so that with the increase in earnings from other items, their relative share had declined from the previous year by about two per cent to about 47 per cent in 1961-62. Between April-September 1961 and 1962, the earnings from these major traditional commodities as well as their relative share remained almost unchanged. The table on next page shows the quantity and value of exports of principal commodities from India.

105. The quantity of tea exports increased from 86 million kg. in April-September 1961 to 95 million kg. in April-September 1962; but there was a modest fall in export prices, so that export earnings from tea showed an increase of only Rs. 1·7 crores reaching Rs. 55·4 crores in April-September 1962. Exports of jute manufactures at Rs. 75·5 crores showed a nominal fall of Rs. 0·4 crore as compared to April-September 1961; in contrast, the volume of jute exports rose by almost one-eighth. The fall in jute prices was partly a reflection of the high level they had touched in the previous year. The decline in cotton fabrics exports registered in 1961-62 in terms of both quantity and value continued and in April-September, 1962, our exports were 25 million metres lower and our earnings Rs. 2·6 crores less. The U.K. and East Africa together accounted for the major part of the decline.

106. There was some improvement in April-September 1962 in exports of sugar (Rs. 1·1 crores), tobacco (Rs. 3·7 crores), oilcakes (Rs. 5·5 crores), vegetable oils (Rs. 1·9 crores), hides and skins (Rs. 1·5 crores), yarns (Rs. 1·5 crores), art silk fabrics (Rs. 1·4 crores) and iron ore (Rs. 0·8 crore). Of these, the improvement in sugar, tobacco and vegetable oils was attained by exporting larger quantities which more than compensated for declines in their export prices. In the case of oilcakes, iron ore and art silk fabrics, the improvement was registered in terms of both quantity as well as price. Higher demand from the U.K. and some East European countries helped larger exports of oilcakes. Increased offtake by Canada raised earnings from sugar. Increased shipments to USSR were mainly responsible for the improvement in tobacco exports.

107. The above improvements were, however, offset by declines in a wide range of commodities such as cashew kernels (Rs. 0·8 crore), spices (Rs. 0·8 crore), coffee (Rs. 2·0 crores), raw cotton (Rs. 2·7 crores), manganese ore (Rs. 1·0 crore), scrap and ores other than iron ore and manganese (Rs. 3:4 crores), leather manufactures (Rs. 2:6 crores), yarn

Exports of Principal Commodities from India

(Value in Rs. crores)

Commodities	Unit of quantity	1960-61		1961-62		April-Sept., 1961		April-Sept., 1962	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1. Cashew kernel	lakh kgs.	436	18·9	418	18·2	218	10·1	238	9·3
2. Spices	,,	472	16·6	644	17·6	267	7·0	233	6·2
3. Sugar	'000 tonnes	98	3·3	373	15·3	193	8·1	275	9·2
4. Tea	million kgs.	199	123·6	206	122·4	86	53·7	95	55·4
5. Tobacco	lakh kgs.	474	15·7	463	14·9	241	8·8	420	12·5
6. Coffee	lakh kgs.	197	7·2	297	9·0	188	5·9	97	3·9
7. Oil cakes	'000 tonnes	433	14·3	506	17·3	225	6·9	361	12·4
8. Vegetable oils (Non-essential and essential)	lakh kgs.	627	12·6	396	10·3	235	5·8	395	7·7
9. Hides and skins undressed	,,	120	9·5	117	8·3	53	3·4	72	4·9
10. Raw cotton and waste	'000 tonnes	65	11·6	109	20·3	60	11·9	45	9·2
11. Iron ore	'000 tonnes	3101	17·0	3366	17·5	1440	7·4	1549	8·2
12. Manganese ore	,,	1167	14·0	965	10·4	473	5·1	379	4·1
13. Leather and leather manufactures		..	25·0	..	25·5	..	13·7	..	11·1
14. Footwear	'000 pairs	4901	3·1	4662	2·4	1463	1·1	1677	1·0
15. Cotton fabrics	million metres	630	57·5	515	48·4	246	24·3	221	21·7
16. Art silk fabrics	lakh metres	241	2·6	641	5·7	316	2·7	347	4·1
17. Jute manufactures	'000 tonnes	793	133·9	793	143·7	398	75·9	452	75·5

NOTE : Exports from Goa, Daman and Diu are not included.

Sorce : D.G.C.I.S.

(Rs. 1·5 crores), iron and steel (Rs. 2·4 crores) and ferro manganese (Rs. 3·1 crores). Most of these commodities also registered quantitative declines, cashew kernel being one exception where an increase in volume was associated with a fall in export proceeds.

108. *Direction of Exports*: Exports to countries in Asia and Africa declined during April-September 1962 as compared to April-September 1961. There was a fall of Rs. 4·2 crores in exports to Africa and a large decline of Rs. 11·4 crores in exports to Asian countries, mostly to the ECAFE area. While small but widespread declines took place in exports to most countries in this area, the bulk of the decline (Rs. 7·1 crores) was in the case of Japan. Exports to the U.S.A. declined by as much as Rs. 4·6 crores, but this was more than made up by the increase in exports to Canada and to Latin America by Rs. 4·1 crores each.

109. While exports to the U.K. (Rs. 76 crores) and to other West European countries remained steady or showed modest increases, those to the European Common Market countries showed deterioration. Ignoring U.S. commodity assistance, India is having the largest trade deficit with this area, her annual rate of imports in recent years being around Rs. 190 crores and her exports around Rs. 50 crores. The bulk of the deficit accrues in our trade with West Germany, imports from that country having been Rs. 118·2 crores in 1961-62, and exports Rs. 20·7 crores, leaving an adverse gap of Rs. 97·5 crores. In the first half of 1962-63, India's exports to the Common Market countries declined, as compared to the corresponding half in the previous year, by Rs. 4·5 crores to Rs. 22·3 crores. The persistent and large imbalance in our trade with this area, which is a main source of supplies vital for our development programmes, is a major problem to which a solution has to be sought in the ultimate analysis by creating conditions conducive for larger exports.

110. An area where India's exports have in recent years shown a continuous rise is the East European Rupee Payment Area. From Rs. 49·6 crores in 1960-61 India's exports to this area rose to Rs. 63·7 crores in 1961-62. In the first half of this fiscal year, exports at Rs. 44·3 crores were Rs. 14·7 crores higher than the comparable period in the previous year. The improvement this year while spread over all the countries in this group, was particularly marked in the case of exports to Yugoslavia, Poland, East Germany and Hungary.

111. *Export Trends in Recent Months*: On the basis of DGCIS compilations, exports are estimated to have improved substantially to Rs. 188·9 crores in October-December 1962 as compared to Rs. 174·1 crores in October-December 1961. Total exports in April-December 1962 at Rs. 511 crores exceed the level of Rs. 499 crores in the same period in 1961. The better export performance in October-December 1962 is on account of continued increases in the exports of oilcakes and the recovery in the exports of items such as coffee, cashew kernels, cotton textiles and jute manufactures. Total exports of jute manufactures in April-December 1962, at Rs. 119·8 crores, exceeded the level reached in the corresponding period of 1961 by Rs. 8·3 crores. The improvement in cashew kernels in the last quarter was mainly due to the higher prices realised and more than offset the short-fall recorded during the first six months of 1962-63 as compared to the same period of preceding year. On the assumption that the rate of improvement achieved during October-December 1962 over the same period of 1961, is maintained in the quarter January-March 1963, total exports for the year 1962-63 as a whole may reach about

Rs. 680 crores. Exports from Goa, Daman and Diu amounted to approximately Rs. 10 crores during April-November 1962; including these territories, total exports in 1962-63 may amount to about Rs. 695 crores.

112. *Restrictions on Trade and Payments*: The continuing pressure on the balance of payments particularly in the first quarter of 1962-63 necessitated further restrictions on imports. In the beginning of June 1962 a blanket cut of 50 per cent of all import licences issued to established importers was imposed; and in the case of annual licensing, the value of licences for the second half of the year was also reduced. *Ad hoc* cuts were also imposed on the issue of import licences to actual users, the extent of the cut being decided on merit in each case. This tightening of quantitative restrictions on imports followed an increase in the effective rates of import duty on several items such as iron and steel, stainless steel, art silk yarn and thread, rayon yarn, copra, small tools and motor cars. Countervailing import duties were also imposed on items in respect of which excise duties were levied.

113. One of the reasons for the decline in invisible receipts in recent years had been the prevalence of unauthorised transactions particularly in respect of travel abroad by persons who had not been given any foreign exchange by the Reserve Bank for the purpose. The smuggling of gold into India had also continued to be a source of leakage of foreign exchange. For checking these leakages stricter control was imposed on foreign travel on June 8, 1962. Persons resident in India cannot book passages now unless they have been granted exchange by the Reserve Bank or are specifically permitted to do so. The control on travel abroad for business and non-technical education has been made stricter than before. Personal remittance facilities for maintenance of family etc. by foreign nationals were tightened and made uniform as between sterling area and non-sterling area nationals. The usual allowance for transfer of funds given to Indian nationals migrating abroad was also withdrawn.

114. Measures were also taken to discourage smuggling of gold, and also other banned articles. The Customs Act was amended in 1962 so as to strengthen the customs administration in checking smuggling; in the context of the national emergency, a campaign of public education was launched to reduce the demand for gold and the Government announced the issue of Gold Bonds on November 4, 1962. On November 13, forward trading in gold was banned in order to make it more difficult for smuggled gold to be disposed of in the country. On January 9, 1963 a comprehensive measure to reduce the demand for gold in the country and also to effectively counter smuggling of gold was introduced in the form of Gold Control Rules which were promulgated under the Defence of India (Amendment) Rules, 1963. Under the regulations, all holdings of gold other than in the form of ornaments, above a low specified limit have to be declared and all persons dealing in gold have to obtain a licence. The rules also lay down that in future all ornaments whether newly made or converted from old ornaments would be of 14 carat gold or less. A Gold Control Board has been set up to keep the question of discouraging the use and consumption of gold under review and to suggest means for reducing the demand for gold within the country.

115. *Export Promotion*: It has been clear for some time that a progressive increase in the country's export earnings is a major desideratum in any scheme for achieving a viable external payments position. Primarily, export promotion is a question of reorienting the pattern of investment so as to increase the production of items which can be sold

abroad. At the same time, home demand in general, and for exportable goods in particular, has to be restrained so as to create an adequate surplus for export. Given conditions at home which make for a large and growing export surplus, the task of promotional measures is to facilitate sales abroad by reducing and indeed eliminating the relative handicaps of indigenous export industries *vis-a-vis* their competitors abroad and by ensuring proper standards as well as by vigorous cultivation of markets abroad.

116. The policies and measures taken during the year need to be viewed in the light of these basic considerations. The budget for 1962-63 increased excise duties on a number of commodities including items such as tea to restrain home consumption. At the same time, a rebate of excise duty on exports of tea was introduced as a measure to promote exports. Export duties on a number of commodities were reduced and a major reduction was made in the export duty on tea from 44 nP. per kg. to 25 nP. per kg.

117. In May, 1962, a Board of Trade was set up to make a continuous review of export promotion policies in consultation with trade and industry. The more important of the measures taken to induce Indian industrialists to seek markets abroad and to remove some of the handicaps in the way of larger exports were: (i) The increase in the corporation tax on companies from 45 to 50 per cent in the budget for 1962-63 was not applied to earnings from exports. A similar relief of income tax has also been given to non-corporate profits from exports. (ii) The scheme of drawback of import duties on materials used for goods subsequently exported was extended to cover new items such as cocoa, cocoa powder, chocolate, butter, radio components, etc. The procedures for obtaining drawbacks and import entitlements against exports have also been simplified. (iii) The 50 per cent freight concession on railway freight granted for the movement of export consignments was extended to jute goods. (iv) Restrictions on the exports of several commodities were relaxed and the existing ban on some 100 items was removed altogether. (v) A series of steps have been taken to enforce quality control so as to facilitate the marketing of goods abroad. (vi) Measures have also been taken to help exporters secure shipping space as also reduction in ocean freights. (vii) With a view to improve the existing credit facilities for exporters, the Reserve Bank has now been permitted to give financial accomodation to commercial banks for any period up to 180 days in respect of finance granted by these banks to exporters. The State Bank has been permitted to give medium term credits to exporters for a period upto 7 years.

118. Among measures taken to enlarge export capacity, mention may be made of the programme of railway port and mining development which has been taken in hand to facilitate exports of iron ore. It is proposed to create, over the next few years, adequate transport and other capacity to enable exports of iron ore valued at about Rs. 100 crores per annum. This programme is being given a high priority. With the growth of basic industries such as iron and steel the export potential of the newer engineering industries should also grow. As already mentioned, agricultural programmes are being strengthened with emphasis on items such as oilseeds with export potential. The modernisation programme for the jute industry made further progress during the year.

119. In the licensing of private industry a high priority is given to the expansion of existing industries with export potential or the setting up of new industries which can find foreign markets for their products.

The same criterion is applied in the case of industries in respect of which foreign collaboration is permitted as also those for which allocations of foreign exchange either from aid or from free foreign exchange are made.

120. *External Assistance*: A balance of approximately Rs. 700 crores of foreign credits and grants was available at the commencement of the third plan. Of this, Rs. 372 crores represented the carry-over of assistance from the second plan, the remainder being aid authorisations, primarily from the U.S.S.R. and other East European countries, for third plan projects. At the Consortium meeting organised by the World Bank in June 1961 to consider India's requirements of assistance for the third plan, the members of the Consortium agreed, subject to the necessary legislative sanctions, to commit assistance of Rs. 616 crores ($ 1295 million) during the first year of the plan. The requirements for the second year of the plan were to be considered further; and at the Consortium meeting held in July 1962, commitments for another Rs. 510 crores ($ 1070 million) were indicated. Thus total Consortium assistance promised for the first two years was Rs. 1,126 crores; against this, actual agreements had been signed for an amount of Rs. 821 crores by December 1962, leaving a balance of Rs. 305 crores in respect of which formal agreements were expected to be signed soon. The Consortium procedure for commitment of aid in principle has made it possible in many cases to allocate foreign exchange for urgent needs even before the signing of formal agreements.

121. In addition to the assistance mentioned above, another Rs. 35·8 crores of aid, including a credit of Rs. 16 crores from Poland, was authorised between April 1961 and December 1962, bringing the total assistance authorised since the beginning of the third plan to Rs. 856 crores. Including the balance from second plan of Rs. 700 crores, external assistance available as on January 1, 1963 was Rs. 1,556 crores.

122. A significant proportion of the aid which has been authorised for the first two years of the third plan consists of credits which are meant not for specific projects but for imports of materials, components and spares in general. The U.K. and West Germany gave assistance totalling Rs. 52 crores in this form during 1961-62. As part of its commitment of $ 545 million for the first year of the plan, the United States authorised two credits, one for $ 200 million and the other for $ 20 million, for the import of machinery and spare parts, non-ferrous metals, steel, lubricants, etc. During the current year (in April—December 1962), non-projects assistance received from the U.K. has been Rs. 20 crores and from West Germany Rs. 12 crores. The United States has recently agreed to a $ 240 million non-project assistance as part of its commitment for the second year of the plan. A sizeable part of Canadian assistance has for long been available for financing non-project requirements; and some of the IDA credits, which finance a part of the local currency cost of the projects assisted, also provide, in effect, general support to the balance of payments.

123. There has been considerable improvement in the utilisation of available assistance during the current year. In 1961-62, a sum of Rs. 248 crores was drawn from various credits and grants. In the first nine months of the current year, corresponding disbursement of external assistance amounted to Rs. 229 crores. There has been a considerable improvement in the rate of utilisation of project assistance as a result of the momentum gathered in plan implementation. Utilisation of assistance for power projects alone, for instance, totalled Rs. 13·6 crores during April—September 1962 as against Rs. 5·6 crores in April—September 1961. Utilisation of project assistance from the U.S.A. amounted to Rs. 62 crores in

1961-62; in the first nine months of 1962-63 alone, it had totalled Rs. 77 crores. Disbursements of Russian credits in the first nine months of the current year have been as large (Rs. 25 crores) as those during the whole of 1961-62. Reimbursements under the U.S. non-project assistance have also gathered momentum during the current year.

124. The figures mentioned in earlier paragraphs are exclusive of commodity assistance under the U.S. P.L. 480 programme. At the end of the second plan, there was an unutilised balance of Rs. 598 crores (mainly from the provision made by the May 1960 agreement for the import of 17 million tons of foodgrains). Three more agreements have been signed during the current year for import of cotton, tobacco and other products valued at $ 90 million (Rs. 43 crores). During 1961-62, P.L. 480 imports amounted to Rs. 90 crores and in April-December 1962, Rs. 85 crores, leaving a balance of Rs. 466 crores for future utilisation.

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7. External Assistance
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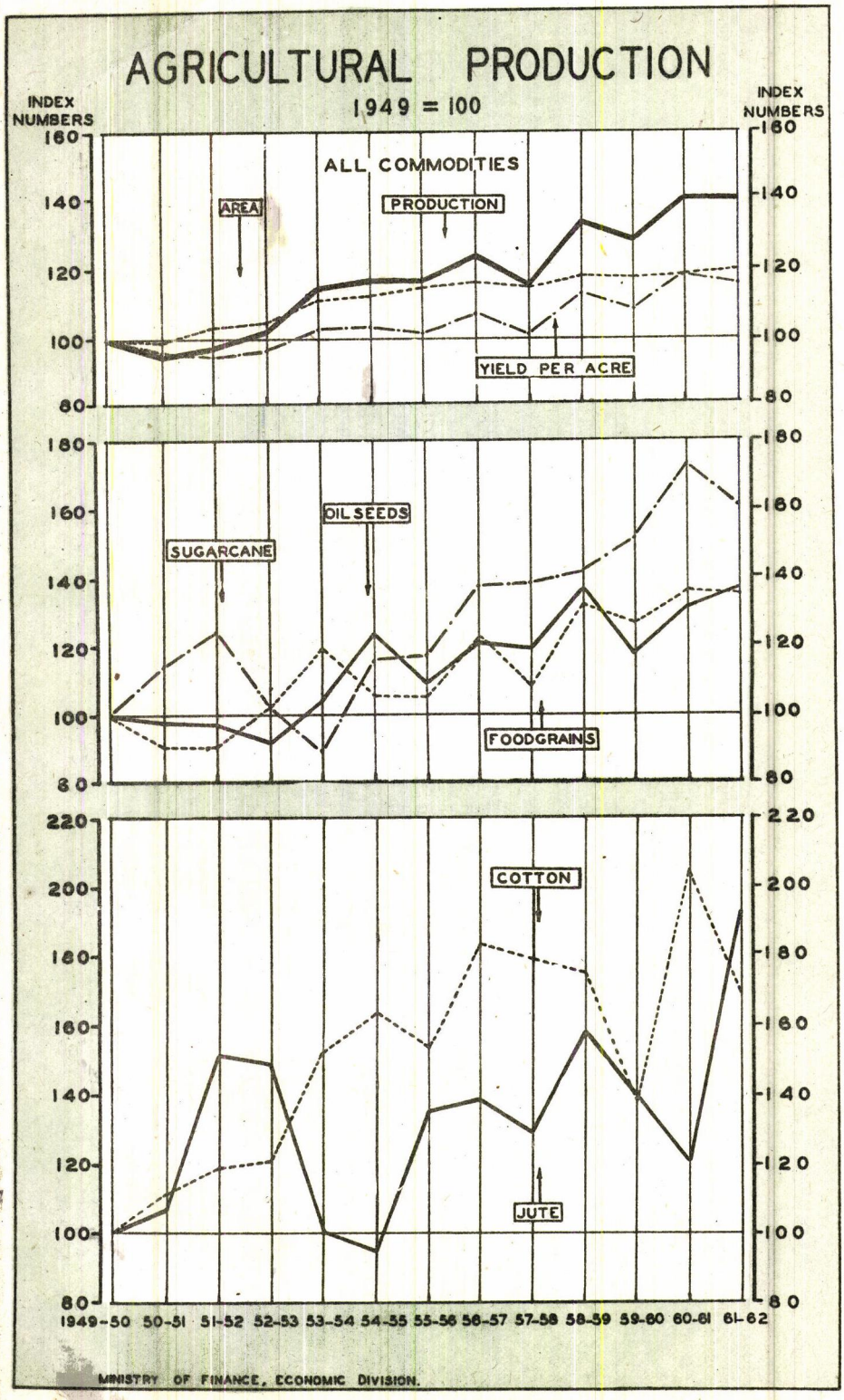
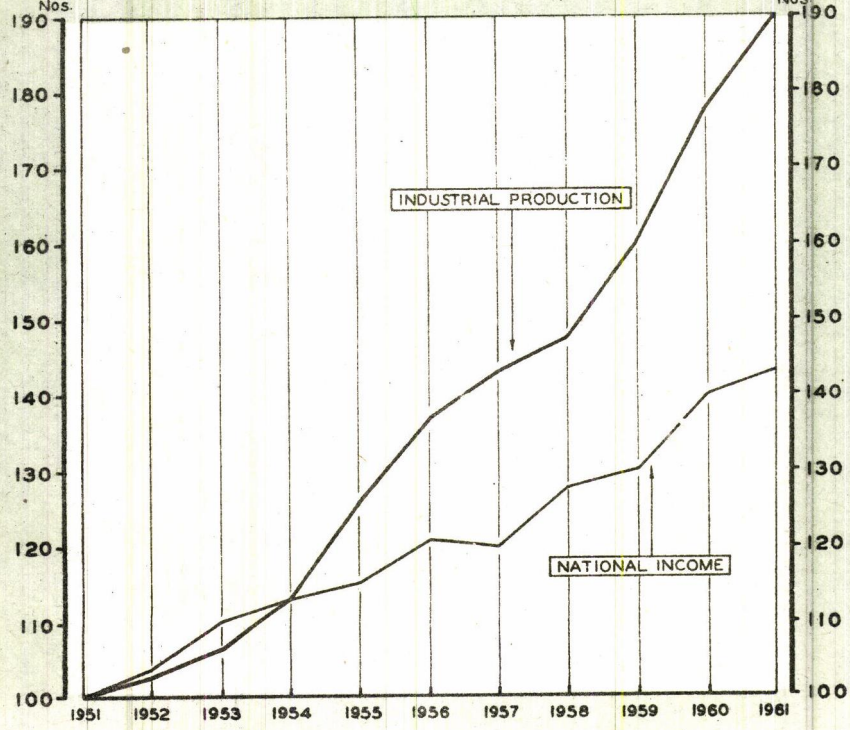
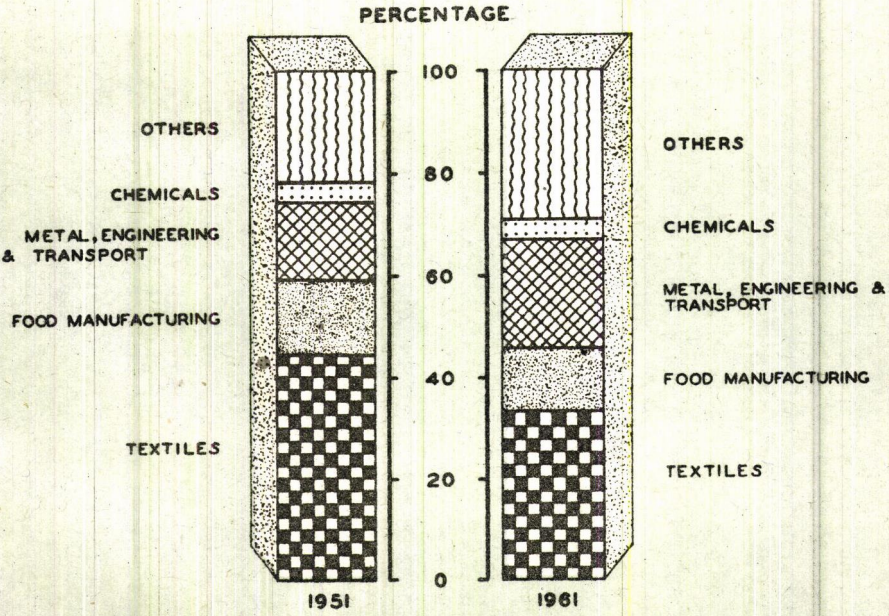
   7·2 External Assistance—Authorised and Utilised (Details)
   7·3 Assistance Committed by the Aid-India Consortium


AGRICULTURAL PRODUCTION
1949 = 100
INDEX NUMBERS
INDEX NUMBERS
ALL COMMODITIES
AREA
PRODUCTION
YIELD PER ACRE
SUGARCANE
OILSEEDS
FOODGRAINS
COTTON
JUTE
160
140
120
100
80
180
220
200
1949-50 50-51 51-52 52-53 53-54 54-55 55-56 56-57 57-58 58-59 59-60 60-61 61-62
MINISTRY OF FINANCE, ECONOMIC DIVISION.

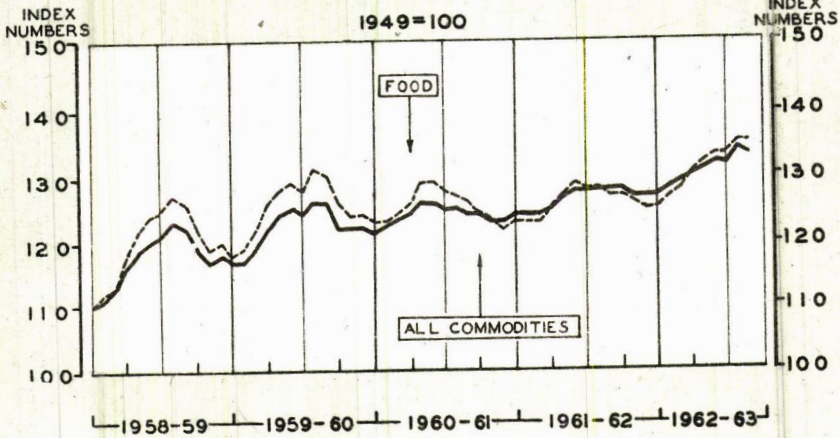
INDUSTRIAL GROWTH



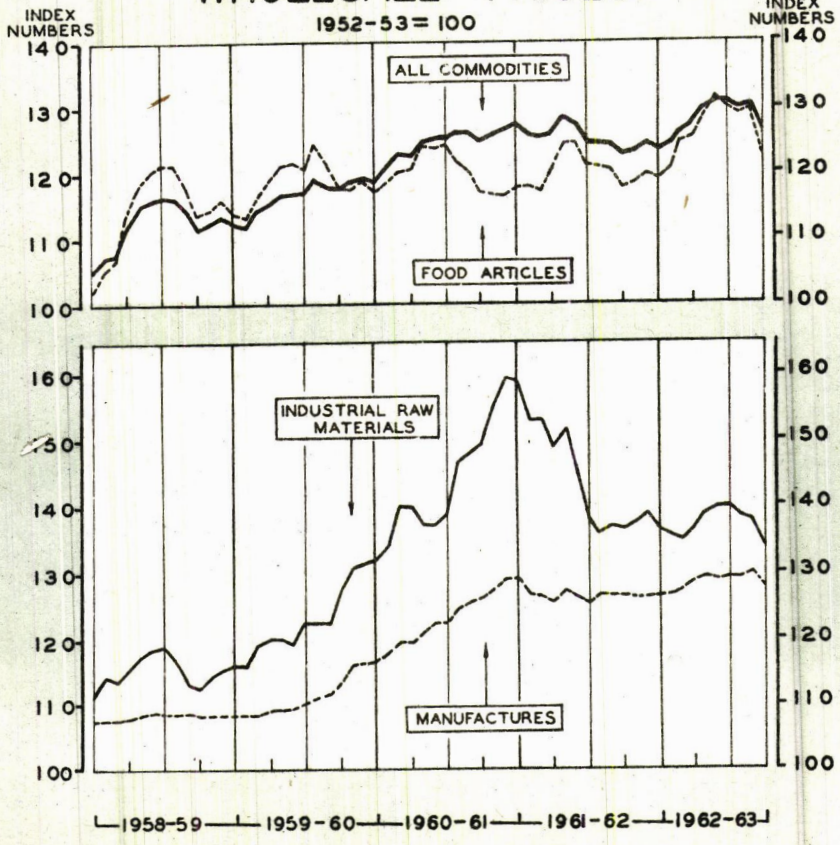


MINISTRY OF FINANCE, ECONOMIC DIVISION.

WORKING CLASS CONSUMER PRICES

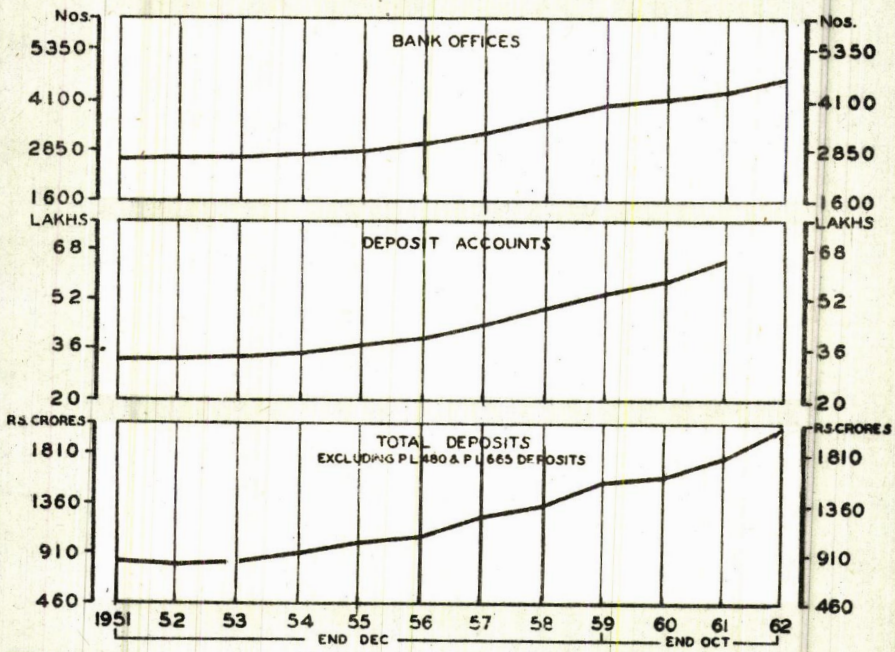


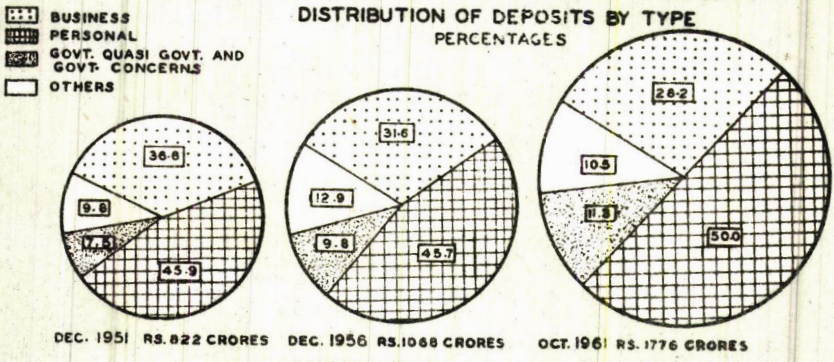
WHOLESALE PRICES

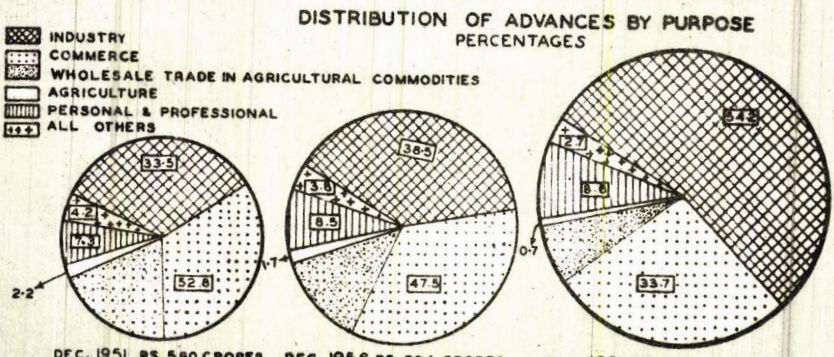


MINISTRY OF FINANCE, ECONOMIC DIVISION.

GROWTH OF COMMERCIAL BANKING





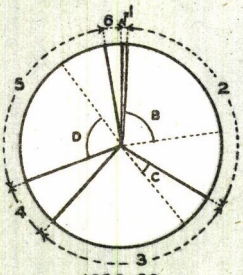


MINISTRY OF FINANCE, ECONOMIC DIVISION. DATA RELATE TO SCHEDULED BANKS

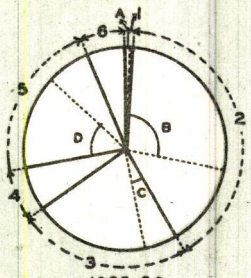
LONG TERM TRENDS IN INDIAS EXPORTS

I DIRECTION

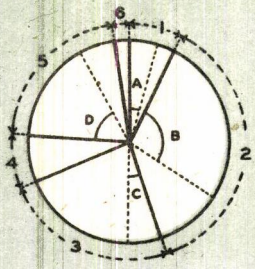
1 EAST EUROPEAN RUPEE PAYMENT AREA COUNTRIES
2 WESTERN EUROPE
3 ASIA
4 AFRICA
5 AMERICA (INCLUDING LATIN AMERICA)
A U. S. S. R.
B U. K.
C JAPAN
D U. S. A.
6 OTHER COUNTRIES



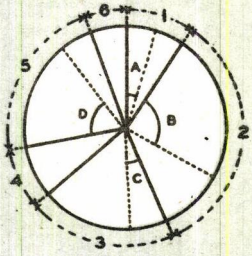
1952-53



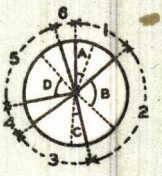
1955-56



1960-61



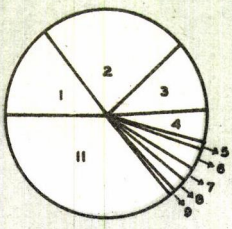
1961-62



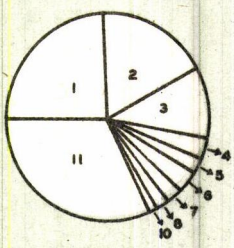
APR-SEP 1962

II COMPOSITION

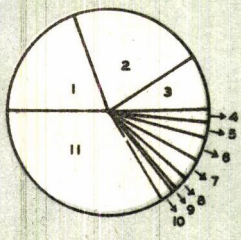
1 TEA
2 JUTE MANUFACTURES
3 COTTON MANUFACTURES
4 COTTON RAW & WASTE
5 IRON ORE
6 LEATHER & LEATHER MANUFACTURES
7 CASHEW KERNEL
8 TOBACCO UNMANUFACTURED
9 SUGAR
10 OIL CAKES
11 OTHERS



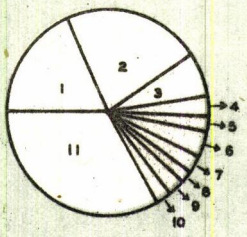
1952-53



1955-56



1960-61



1961-62

APR-SEP 1962

MINISTRY OF FINANCE, ECONOMIC DIVISION.

1·1: NATIONAL INCOME

Year	National Income (Rs. crores)		*Per Capita* Income (Rs.)		Index Numbers of National Income (1948-49=100)		Index Numbers of *Per Capita* Income (1948-49=100)	
	At Current Prices	At 1948-49 Prices	At Current Prices	At 1948-49 Prices	At Current Prices	At 1948-49 Prices	At Current Prices	At 1948-49 Prices
1948-49	8,650	8,650	249·6	249·6	100·0	100·0	100·0	100·0
1949-50	9,010	8,820	256·0	250·6	104·2	102·0	102·6	100·4
1950-51	9,530	8,850	266·5	247·5	110·2	102 3	106·8	99·2
1951-52	9,970	9,100	274·2	250·3	115·3	105·2	109·9	100·3
1952-53	9,820	9,460	265·4	255·7	113·5	109·4	106 3	102·4
1953-54	10,480	10,030	278·1	266·2	121·2	116·0	111·4	106·7
1954-55	9,610	10,280	250·3	267·8	111·1	118·8	100·3	107·3
1955-56	9,980	10,480	255·0	267·8	115·4	121·2	102·2	107·3
1956-57	11,310	11,000	283·3	275·6	130·	127 2	113·5	110·4
1957-58	11,390	10,890	279·6	267·3	131·7	125·9	112·0	107·1
1958-59	12,600	11,650	303·0	280·1	145·7	134·7	121·4	112·2
1959-60	12,950	11,860	304·8	279·2	149·7	137·1	122·1	111·9
1960-61	14,160	12,750	326·2	293·7	163·7	147·4	130·7	117·7
1961-62*	14,630	13,020	329·7	293·4	169·1	150·5	132·1	117·5
	Percentage Change							
First Plan	+4·7	+18·4	—4·3	+8·2	..	..	..	..
Second Plan	+41·9	+21·7†	+27·9	+9·7†	..	..	..	..

*Preliminary.

† The estimates of production of foodgrains from 1959-60 and those of sugarcane from 1960-61 are not strictly comparable with those for the earlier years. Adjusted for such statistical changes, the increase in total national income and in *per capita* income during second plan period works out to 20·4 per cent and 8·6 per cent respectively.

NOTE: The *per capita* estimates are based on the rate of growth of population as revealed by the 1941, 1951 and 1961 census figures.

1·2: INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Crop year ending June 1950=100)

Groups/Commodities	Weights	1955-56	1956-57	1957-58	1958-59	1959-60*	1960-61*	1961-62*
A. *Foodgrains*	*66·9*	*115·3*	*120·8*	*109·2*	*131·0*	*126·8*	*135·6*	*135·2*
(a) Cereals	58·3	114·9	120·5	110·1	130·1	127·8	136·6	137·3
Rice	35·3	114·2	120·4	105·7	128·4	125·3	136·2	136·0
Wheat	8·5	131·3	140·7	118·5	147·4	151·7	162·7	174·8
Inferior Cereals	14·5	107·0	108·9	115·9	124·1	119·9	122·3	118·5
(b) Pulses	8·6	118·4	122·9	103·0	136·0	120·0	128·6	121·1
of which :								
Gram	3·7	138·9	159·8	125·8	180·3	143·5	162·3	152·7
B. *Non-Foodgrains*	*33·1*	*119·9*	*131·5*	*129·5*	*139·4*	*132·0*	*148·5*	*149·4*
(a) Oilseeds	9·9	108·6	120·3	119·0	136·8	118·3	131·2	136·9
of which								
Groundnuts	5·7	112·4	127·2	137·5	149·0	122·5	136·5	145·5
Rapeseed and Mustard	2·0	105·8	128·3	114·8	128·3	130·9	166·9	160·6
(b) Fibrers	4·5	149·7	170·7	164·4	175·8	141·2	175·7	182·3
Cotton	2·8	153·9	181·2	178·8	175·8	138·5	203·3	169·7
Jute	1·4	135·8	138·7	128·8	158·7	140·7	121·7	191·6
Mesta	0·3	174·7	221·5	196·2	255·9	168·5	170·5	257·0
Plantation Crops	3·6	113·2	123·0	122·7	127·3	128·4	131·3	138·7
(c) Tea	3·3	107·2	117·2	115·7	119·4	119·6	116·7	130·3
Coffee	0·2	196·1	204·1	229·8	240·8	259·6	355·1	257·6
Rubber	0·1	146·1	152·9	140·1	160·2	154·6	165·2	177·0
(d) Miscellaneous	15·1	120·1	129·2	127·5	133·1	139·1	155·8	150·4
of which :								
Sugarcane	8·7	119·8	137·2	138·1	141·5	150·3	173·9	162·0
Tobacco	1·9	112·9	113·7	89·4	118·2	106·5	116·4	128·5
C. *ALL COMMODITIES*	*100·0*	*116·8*	*124·3*	*115·9*	*133·8*	*128·5*	*139·9*	*139·9*

*Provisional.

1·3: AGRICULTURAL PRODUCTION

Groups/Commodities	Unit	1949-50	1955-56	1956-57	1957-58	1958-59	1959-60*	1960-61*	1961-62**
A. Foodgrains	million tons	54·05	65·79	68·75	63·30	76·10	74·72	79·69	78·57
(a) Cereals	,,	46·02	54·92	57·38	53·88	63·16	63·19	67·24	67·09
Rice	,,	23·17	27·12	28·58	25·12	30·54	30·96	33·66	33·61
Wheat	,,	6·29	8·62	9·25	7·87	9·80	10·09	10·82	11·62
Jowar	,,	5·78	6·62	7·21	8·50	8·89	8·00	9·22	7·66
Bajra	,,	2·79	3·37	2·83	3·56	3·81	3·52	3·18	3·50
Other Cereals	,,	7·99	9·19	9·51	8·83	10·12	10·62	10·36	10·70
(b) Pulses	,,	8·03	10·87	11·37	9·41	12·94	11·53	12·45	11·48
of which :									
Gram	,,	3·67	5·33	6·13	4·81	6·91	5·50	6·22	5·85
B. Non-Foodgrains									
(a) Oilseeds	,,	5·14	5·64	6·26	6·25	7·19	5·89	6·52	6·82
of which :									
Groundnuts	,,	3·38	3·80	4·30	4·64	5·10	3·94	4·39	4·68
Rapeseed and Mustard	,,	0·79	0·85	1·03	0·92	1·03	1·05	1·34	1·28
(b) Sugarcane (in terms of gur)	,,	4·94	5·98	6·85	7·04	7·22	7·67	10·45	9·73
(c) Cotton	million bales†	2·63	4·00	4·71	4·74	4·66	3·68	5·39	4·50
(d) Jute	million bales‡	3·09	4·20	4·29	3·98	5·16	4·60	3·98	6·27
(e) Mesta	,,	n.a.	1·15	1·47	1·30	1·70	1·12	1·13	1·70

*Partially Revised Estimates.
**Final Estimates.

†Bale=392 lb.
‡Bale=400 lb.

1·4: NET AVAILABILITY OF CEREALS AND PULSES

Year	Population (millions)	Cereals: Production (million tons) Gross	Cereals: Production (million tons) Net	Cereals: Net imports (million tons)	Cereals: Withdrawals (+)from Government stocks (million tons)	Cereals: Net availability (million tons)	Pulses: Net availability (million tons)	Per capita net availability (ozs. per day): Cereals	Per capita net availability (ozs. per day): Pulses
1951	363·5	43·74	38·27	4·73	(—)0·58	42·42	7·49	11·5	2·0
1952	369·6	44·29	38·75	3·86	(—)0·61	42·00	7·40	11·2	2·0
1953	376·1	49·47	43·29	2·00	(+)0·48	45·77	8·02	11·9	2·1
1954	383·0	58·32	51·03	0·82	(—)0·20	51·65	9·02	13·2	2·3
1955	390·2	56·38	49·33	0·59	(+)0·73	50·65	9·41	12·7	2·4
1956	397·8	54·94	48·07	1·37	(+)0·60	50·04	9·50	12·4	2·3
1957	405·9	57·38	50·21	3·57	(—)0·85	52·93	9·94	12·8	2·4
1958	414·3	53·88	47·15	3·17	(+)0·27	50·59	8·22	12·0	1·9
1959	423·3	63·16	55·27	3·80	(—)0·49	58·58	11·31	13·6	2·6
1960	432·7	63·19	55·29	5·05	(—)1·38	58·96	10·08	13·4	2·3
1961*	442·7	67·24	58·84	3·44	(+)0·16	62·44	10·88	13·8	2·4
1962*	453·1	67·09	58·70	3·58	(+)0·35	62·63	10·04	13·6	2·2

*Provisional.

NOTES: 1. Production figures relate to agricultural year, July-June; 1951 figures correspond to 1950-51, and so on for subsequent years. These estimates upto the year 1955-56 are adjusted with 1956-57 revised production as the base. Figures for 1956-57, 1957-58 and 1958-59 are based on Revised Estimate, for 1959-60 and 1960-61 on Partially Revised Estimate and for 1961-62 on Final Estimate of production.

2. Net production has been taken as 87·5% of the gross production, 12·5% being provided for seed requirements, wastage and non-food purposes.

3. Population figures relate to mid-year estimates framed by the office of the Registrar General of India and exclude Sikkim.

1·5: INDEX NUMBERS OF INDUSTRIAL PRODUCTION
(1956=100)

	1951	1955	1957	1958	1959	1960	1961	1962 (Jan.-Oct.)*	1961 (Jan.-Oct.)	Percentage rise (+) or fall (—) in col. 9 over col. 10
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
GENERAL INDEX	73·0	92·3	104·1	108·1	117·0	129·7	139·0	149·0†	139·1†	+7·1
Mining and quarrying	87·0	97·1	109·6	116·0	122·4	137·1	142·6	156·9	140·9	+11·4
Food manufacturing	79·6	93·3	106·4	107·6	109·6	117·5	129·0	124·6	131·5	—5·2
Cigarettes	81·6	86·8	110·7	113·4	122·9	140·6	155·9	154·5	155·5	—0·6
Cotton Textiles	79·1	95·2	100·8	100·1	101·2	102·9	106·5	109·1	108·1	+0·9
Woollen textiles	70·7	83·2	103·5	116·7	103·3	100·8	107·2	135·2	103·8	+30·3
Synthetic fibres	58·1	81·6	96·2	115·3	137·5	146·8	165·6	165·5	166·0	—0·3
Jute manufactures	78·8	93·5	94·7	97·3	98·3	99·3	89·6	108·4	86·5	+25·3
Footwear (leather)	91·5	86·3	115·6	114·3	120·2	144·0	166·0	176·2	161·2	+9·3
Wood and cork except furniture	55·3	87·7	104·1	105·4	137·2	147·8	165·5	147·6	161·3	—8·5
Paper and paper products	66·5	95·9	109·5	127·3	145·4	173·4	181·8	187·0	181·9	+2·8
Leather and fur products, except footwear and other wearing apparels	109·5	93·1	93·2	94·7	101·6	167·1	113·9	124·0	113·2	+9·5
Rubber products	75·4	92·0	104·1	108·1	118·1	141·3	157·3	165·7	155·6	+6·5
Chemicals and chemical products	72·9	96·3	100·5	112·5	128·3	138·0	177·7	226·0	168·1	+34·4
Petroleum products	6·4	77·9	112·9	121·9	132·9	148·0	156·8	165·7	159·3	+4·0
Non-metallic mineral products	64·4	87·5	114·6	128·7	146·0	168·2	176·8	186·4	174·2	+7·0
Basic metals	83.5	96·6	99·5	106·7	138·5	180·6	184·0	217·7	181·7	+19·8
Metal product	54·4	96·5	97·8	102·5	98·3	105·9	147·9	177·5	142·5	+24·6
Machinery, except electrical machines	45·2	83·3	129·5	148·3	185·8	233·5	269·8	276·9	267·3	+3·6
Electrical machinery, apparatus, appliances and supplies	43·6	71·9	118·6	124·6	133·4	176·5	188·7	200·9	188·9	+6·4
Transport equipment	46·1	73·1	105·4	95·5	98·3	119·3	130·3	144·4	133·1	+8·5
Electricity	60·9	88·1	112·8	127·4	151·4	171·0	198·8	221·4	196·7	+12·6

*Provisional.

†Seasonally adjusted.

1·6: PRODUCTION IN SELECTED INDUSTRIES

	Unit	1950	1955	1960	1961 Total	1961 1st Qr.	1961 2nd Qr.	1961 3rd Qr.	1961 4th Qr.	1962* 1st Qr.	1962* 2nd Qr.	1962* 3rd Qr.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
I. MINING :												
1. Coal . . .	million tonnes	32·5	38·8	52·6	56·1	15·9	13·3	13·1	13·8	15·0	15·0	14·9
2. Iron ore . .	million tonnes	3·7†	4·3	10·7	12·1	2·9	2·9	2·9	3·5	3·6	3·1	3·0
II. METALLURGICAL INDUSTRIES :												
3. Pig iron . . .	million tonnes	1·59	1·78	4·15	4·96	1·21	1·21	1·24	1·30	1·31	1·36	1·46
4. Finished steel . .	million tonnes	1·02	1·28	2·21	2·85	0·72	0·64	0·72	0·76	0·88	0·89	0·90
5. Aluminium (virgin metal) . . .	'000 tonnes	3·7	7·3	18·4	18·4	4·4	4·3	4·5	5·2	5·9	5·9	10·5
6. Copper (virgin metal)	'000 tonnes	6·7	7·4	9·0	8·7	1·7	2·5	2·3	2·2	2·2	2·6	2·5
III. MECHANICAL ENGINEERING INDUSTRIES :												
7. Steel castings . .	'000 tonnes	..	15·3	33·5	37·5	8·7	8·5	10·2	10·1	10·8	10·4	11·0
8. Machine tools .	million rupees	2·7	7·4	60·2	76·1	19·9	14·2	19·9	22·1	27·7	23·6	25·8
9. Power driven pumps	'000 nos.	30·0	34·8	104·4	124·8	28·6	29·7	32·3	34·1	33·1	33·1	30·3
10 Automobiles . .	'000 nos.	14·6	23·1	52·1	54·3	15·7	13·9	13·3	11·4	16·0	13·7	13·9
11. Bicycles (complete) .	'000 nos.	103	491	1050	1047	281	258	240	268	284	297	269
12. Sewing machines .	'000 nos.	31	101	297	317	79	75	89	75	85	89	89
13. Railway wagons .	'000 nos.	..	15·3	7·5	11·1	2·8	2·7	3·0	2·6	3·1	3·2	3·9
14. Motor cycles . .	'000 nos.	..	0·4	4·0	4·7	0·9	1·0	1·4	1·4	1·3	1·4	1·9
15. Scooters and scooterees . . .	'000 nos.	..	0·5	13·0	15·3	4·9	5·2	3·0	2·2	3·6	4·3	3·2

IV. ELECTRICAL ENGINEERING INDUSTRIES :												
16. Power transformers	'000 k.v.a.	172	565	1282	1775	389	415	462	508	630	585	580
17. Electric motors	'000 h. p.	82	252	696	824	188	202	221	214	232	246	248
18. Radio receivers	'000 nos.	44	201	265	326	69	80	91	86	89	80	79
19. Electric lamps	million nos.	14·3	24·2	41·4	46·9	11·6	11·6	12·2	11·4	13·6	13·7	15·0
20. Electric fans	'000 nos.	193	282	1013	1074	277	285	276	236	282	311	271
21. *Cables and Wires* :												
(i) Bare copper conductors	'000 tonnes	5·8	8·6	9·9	7·6	2·3	1·6	1·7	2·0	1·7	1·0	1·2
(ii) Aluminium conductors	'000 tonnes	..	8·2	23·0	22·4	5·6	5·6	6·0	5·2	5·3	6·4	7·5
V. CHEMICAL AND ALLIED INDUSTRIES :												
22. Ammonium sulphate	'000 tonnes	48	399	390	395	110	91	104	90	108	99	97
23. Superphosphate	'000 tonnes	53	75	323	371	88	87	99	97	95	95	112
24. Sulphuric acid	'000 tonnes	104	169	360	414	94	105	109	107	110	106	117
25. Caustic soda	'000 tonnes	11	35	98	120	28	29	31	32	31	29	32
26. Soda ash	'000 tonnes	44	79	145	177	41	45	41	50	52	54	53
27. Cement	million tonnes	2·7	4·6	7·8	8·2	2·1	2·0	2·0	2·1	2·1	2·1	2·0
28. Refractories	'000 tonnes	240	279	551	598	147	147	151	153	150	157	163
29. Paper and paper-boards	'000 tonnes	111	188	345	364	91	89	91	93	94	95	97
30. Rubber tyres and tubes@	million nos.	8·9	13·1	26·2	27·3	7·1	6·8	7·4	6·0	6·4	6·9	6·9

(Contd.)

1·6: PRODUCTION IN SELECTED INDUSTRIES—*concld.*

	Unit	1950	1955	1960	1961					1962*		
					Total	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.
31. Footwear (Rubber and leather)	million nos.	21·4	40·5	53·8	55·7	14·3	13·9	13·8	13·6	15·5	15·1	14·8
32. Soap	'000 tonnes	74	101	143	147	36	38	37	36	37	39	37
33. Petroleum products	million tonnes	0·2†	3·0	5·8	6·1	1·4	1·7	1·6	1·5	1·5	1·5	1·8
VI. TEXTILE INDUSTRIES :												
34. Cotton yarn	million kgs.	533	740	788	862	205	210	224	223	216	213	217
35. Rayon yarn‡	'000 tonnes	2·1†	12·7	42·9	49·5	11·1	11·4	13·2	13·8	13·7	14·9	15·4
36. *Cotton cloth* :												
(i) Mill sector	million metres	3351	4658	4616	4701	1158	1177	1198	1168	1143	1148	1162
(ii) Decentralised sector	million metres	911	1603	2007	2369	556	567	612	634	616	603	621
37. Jute textiles	'000 tonnes	849	1044	1085	970	255	227	219	269	287	295	309
38. Woollen/worsted fabrics	million metres	11·1†	12·4	13·4	13·2	2·5	3·1	3·7	3·9	3·8	4·2	5·5
VII. FOOD INDUSTRIES :												
39. Sugar**	'000 tonnes	992	1620	2485	3029	..	..	..	..	..	..	..
40. Tea	million kgs.	278	303	316	348	16	77	157	98	16	82	150
41. Coffee	'000 tonnes	20·9	25·3	51·5	65·7	21·8	24·7	7·6	11·6	22·7	16.3	4·6
42. Vanaspati	'000 tonnes	174	265	338	339	101	85	72	80	103	88	87
VIII. ELECTRICITY (GENERATED) :	million kwh.	5107	8468	16433	19111	4478	4769	4893	4971	5153	5302	5520

*Provisional
†Relates to 1951
‡Includes viscose yarn, staple fibre and acetate yarn
**Relates to the year ending October
@Includes tyres and tubes of automobiles, bicycles and tractors

1·7: STOCKS OF SELECTED COMMODITIES

	Raw Cotton with mills* ('000 bales)		Raw Jute with mills ('000 bales)	Cotton cloth (unsold) with mills (million metres)	Jute Textiles with mills ('000 tonnes)	Sugar with mills† ('000 tonnes)	Coal ('000 tonnes)	
	Indian	Foreign					Pithead	Industries
1956 . . .	1408	205	1132	372	97	551	2810	1735
1957 . . .	1120	224	1220	618	76	465	3331	1467
1958 . . .	1136	139	1644	439	111	367	2808	3130
1959 . . .	1047	151	1692	187	60	176	2729	2650
1960 . . .	961	404	907	311	82	605	3458	2531
1961 . . .	1413	397	1240	292	56	1203	3290	2273
1962 . . .	1217	242	n.a.	n.a.	83	1034	n.a.	n.a.
1961 :—								
January . .	988	328	1007	270	86	1382	3886	2248
February .	1225	357	1008	240	85	1697	4808	2264
March . .	1402	385	930	207	86	1986	5567	2192
April . .	1519	354	802	204	92	2217	5423	2205
May . .	1523	374	611	208	94	2239	5375	2153
June . .	1575	394	449	222	78	2099	5129	2067
July . .	1489	397	302	252	71	1905	4581	2217
August . .	1413	397	192	284	65	1673	4023	2265
September .	1244	434	298	304	52	1451	3776	2367
October . .	1096	424	544	313	56	1203	3323	2338
November .	1017	395	861	295	57	1109	3167	2337
December .	1028	347	1240	292	56	1328	3290	2273
1962 :—								
January . .	1076	302	1505	284	60	1695	3428	2189
February . .	1084	300	1763	275	62	2020	3735	2223
March . .	1196	288	1969	262	61	2305	3767	2219
April . .	1300	262	2002	257	60	2392	3731	2357
May . .	1360	230	1902	265	84	2287	3869	2355
June . .	1371	228	1726	281	80	2084	3840	2421
July . .	1267	223	1507	315	86	1828	3558	2601
August . .	1217	242	1283	314	92	1545	3299	2477
September .	951	319	1230	331	94	1200	3202	2627
October .	746	342	1470	350	91	1034	2954	2924
November .	583	295	1858	n.a.	91	n.a.	3331	2974
December .	n.a.	n.a.	n.a.	n.a.	83	n.a.	n.a.	n.a.

*Annual figures relate to August

†Annual figures relate to October

1·8: GENERATION AND DISTRIBUTION OF ELECTRICITY IN PUBLIC UTILITIES

	1950	1955	1956	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63* (First half)
1. *Total Generating Capacity*† ('000 *kw*)	*1,713*	*2,695*	*2,886*	*3,223*	*3,511*	*3,873*	*4,579*	*5,158*	*n.a*
(*a*) Steam plant	1,004	1,547	1,596	1,763	1,879	2,047	2,436	2,466	n.a.
(*b*) Oil plant	149	209	228	246	270	296	300	314	n.a.
(*c*) Hydro plant	559	939	1,061	1,214	1,362	1,530	1,843	2,378	n.a.
2. *Total Electricity Generated*‡ (*million kwh*)	*5,107*	*8,592*	*9,662*	*11,369*	*12,994*	*15,033*	*16,937*	*19,455*	*10,641*
(*a*) Steam plant	2,387	4,619	5,134	6,042	6,848	7,678	8,732	9,366	5,117
(*b*) Oil plant	200	231	233	254	298	327	368	368	195
(*c*) Hydro plant	2,520	3,742	4,295	5,072	5,848	7,027	7,837	9,721	5,329
3. *Total Electricity Sold* (*million kwh*)	*4,156*	*7,111*	*7,959*	*9,430*	*10,719*	*12,407*	*13,953*	16,433	9,049
(*a*) Domestic light and small power	525	850	934	1,095	1,234	1,379	1,492	1,613	902
(*b*) Commercial light and small power	309	514	546	612	679	766	848	905	611
(*c*) Industrial power	2,604	4,698	5,323	6,228	7,176	8,455	9,697	11,836	6,386
(*d*) Irrigation	162	255	316	566	643	754	833	854	454
(*e*) Other purposes	557	794	840	929	987	1,053	1,083	1,225	696

*Provisional

†At the end of the period

‡Excludes purchases from non-public utilities

2·1: NET CAPITAL FORMATION OUT OF THE BUDGETARY RESOURCES OF THE CENTRAL GOVERNMENT

(Rs. crores)

	1950-51 (Acct.)	First Plan 1951-56	Second Plan 1956-61	1955-56 (Acct.)	1956-57 (Acct.)	1957-58 (Acct.)	1958-59 (Acct.)	1959-60 (Acct.)	1960-61 (Acct.)	1961-62 (R.E.)	1962-63 (B.E.)
A *Net Capital Formation by the Central Government:*											
(a) Fixed assets . .	49·2	374·7	925·4	127·8	183·7	186·7*	179·9	171·5	203·6	260·8	331·8
(b) Works Stores .	9·9	9·8	8·3	5·1	23·0	37·2	21·0	—34·5	—38·4	2.7	—10·4
(c) Increase in policy stocks of foodgrains . .	—9·3	25·9*	85·9	—12·5*	—9·2*	21·8*	16·2*	8·9	48·2	24.9	44·0
TOTAL .	49·8	410·4	1019·6	120·4	197·5	245·7	217·1	145·6	213·4	288·4	365·4
B. *Financial assistance for net Capital Formation:*											
(a) To State Governments	41·1	808·9	1373·2	272·7	206·0	261·6	283·1	303·2	319·2	393·5	439·2
(b) To Non-Departmental Commercial Undertakings†	5·2	71·1	931·1	22·0	60·6	170·3	256·0	233·5	210·7	217·8	257·4
(c) To others‡ . . .	2·4	105·9	158·1	32·4	32·9	42·9	31·8	25·9	24·6	30·0	32·5
TOTAL	48·7	985·9	2462·4	328·1	299·5	474·8	570·9	562·6	544·6	641·3	729·1
C. *Net Capital Formation out of Budgetary resources of Central Government (A+B)* . .	98·5	1396·3	3482·0	448·5	497·0	720·5	788·0	708·5	768·0	929·7	1094·5

*Revised

†Public undertakings operated by autonomous corporations or companies

‡Includes loans and grants to local authorities for capital formation

3·1: EMPLOYMENT EXCHANGE STATISTICS

	Employment Exchanges at the end of the period	Registrations during the period	Vacancies notified during the period	Placements during the period	Applicants on Live Register at the end of the period
1950	123	1,210,358	419,307	331,193	330,743
1955	136	1,584,024	280,523	169,735	691,958
1956	143	1,669,895	287,618	189,855	758,503
1957	181	1,774,668	297,188	192,831	922,099
1958	212	2,203,888	364,884	233,320	1,183,299
1959	244	2,471,596	424,393	271,131	1,420,901
1960	296	2,732,548	520,330	305,553	1,606,242
1961	325	3,230,314	708,379	404,077	1,832,703
1962	342	3,844,902	790,445	458,085	2,379,530
1961 :—					
January	299	223,822	48,236	27,471	1,609,736
February	305	199,927	48,271	28,044	1,596,017
March	307	220,830	55,274	27,794	1,561,166
April	310	263,610	69,527	32,535	1,627,449
May	312	293,236	72,131	37,970	1,705,330
June	312	311,201	67,314	38,252	1,755,491
July	312	353,176	64,474	39,740	1,844,279
August	312	307,249	56,786	38,200	1,880,746
September	316	314,038	58,392	34,443	1,907,579
October	321	241,688	52,952	32,063	1,877,711
November	323	241,763	56,116	33,721	1,848,340
December	325	259,774	58,906	33,844	1,832,703
1962:—					
January	328	274,564	55,804	36,244	1,865,508
February	328	207,789	48,191	28,946	1,860,887
March	334	274,136	57,425	31,166	1,853,974
April	341	309,265	69,869	33,413	1,924,239
May	342	320,005	75,667	41,453	1,981,616
June	342	353,190	67,322	39,249	2,062,917
July	342	387,673	71,432	41,878	2,146,981
August	342	356,387	63,507	40,138	2,211,505
September	342	315,060	63,348	38,882	2,223,188
October	341	268,759	62,297	36,534	2,197,835
November	342	386,548	85,877	44,894	2,266,119
December	342	391,526	69,706	45,288	2,379,530

4·1: MONEY SUPPLY WITH THE PUBLIC AND RELATED MONETARY DATA

(Amounts in Rs. crores)

	Outstandings as on					Variations during			
	Jan. 25, 1963	March 31, 1962	Jan. 26, 1962	March 31, 1961	March 31, 1960	1962-63 March 31 to Jan. 25	1961-62 March 31, to March 31	1961-62 March 31, to Jan. 26	1960-61 March 31, to March 31
I. MONEY SUPPLY—									
1. Currency with the Public	2298·32	2207·81	2105·11	2098·05	1943·58	+90·51	+109·76	+7·06	+154·47
2. Demand deposits of banks	853·93	832·52	774·89	757·10	721·62‡	+21·41	+75·42	+17·79	+35·48
3. 'Other deposits'* with the R.B.I.	18·74	23·34	20·10	18·56	17·41	—4·60	+4·38	+1·14	+1·55
4. Money Supply with the Public (1+2+3)	3170·99	3063·67	2900·10	2874·11	2682·61	+107·32	+189·56	+25·99	+191·50
II. ALLIED DATA—									
A. *Reserve Bank of India*									
1. Deposits of Central Government	61·74	138·51	68·67	76·46	70·47	—76·77	+62·05	—7·79	+5·99
2. Deposits of State Governments	20·01	10·67	18·83	28·99	46·64	+9·34	—18·32	—10·16	—17·65
3. Deposits of Banks	77·46	72·98	80·02	70·85	84·99	+4·48	+2·13	+9·17	—14·14
4. Foreign Assets	95·46	128·15	137·83	136·25	193·53	—32·69	—8·10	+1·58	—57·28
5. Rupee Securities	2097·83	1970·18	1881·76	1813·15	1710·32	+127·65	+157·03	+68·61	+102·83
6. Loans and Advances to Governments	43·55	85·62	60·80	39·02	27·03	—42·07	+46·60	+21·78	+11·99
7. Other Loans and Advances	171·08	176·36	149·03	185·50	141·06	—5·28	—9·14	—36·47	+44·44
8. Bills purchased and discounted	47·77	53·58	21·79	39·17	45·51	—5·81	+14·41	—17·38	—6·34

(contd.)

4.1 : MONEY SUPPLY WITH THE PUBLIC AND RELATED MONETARY DATA—*concld.*

(Amount in Rs. crores)

	Outstandings as on					Variations during			
	Jan. 25, 1963	March 31, 1962	Jan. 26, 1962	March 31, 1961	March 31, 1960	1962-63 March 31, to Jan. 25	1961-62 March 31, to March 31	1961-62 March 31, to Jan. 26	1960-61 March 31, to March 31
B. *Scheduled Banks*									
9. Demand Deposits	816·91	793·86	740·76	719·72	684·33‡	+23·05	+74·14	+21·04	+35·39
10. Time Deposits	1229·80	1137·21	1111·60	1026·34	1048·62‡	+92·59	+110·87	+85·26	—22·28
11. Total Deposits	2046·71	1931·07	1852·36	1746·06	1732·95‡	+115·64	+185·01	+106·30	+13·11
12. Borrowings from the R.B.I.	23·96	52·29	18·75	94·53	65·47	—28·33	—42·24	—75·78	+29·06
13. Cash in India	50·37	47·88	46·76	45·56	58·86	+2·49	+2·32	+1·20	—13·30
14. Balances with the R.B.I.	73·48	71·75	79·13	71·02	85·73	+1·73	+0·73	+8·11	—14·71
15. (13+14) as per cent of (11)	6·1	5·8	6·8	6·7	8·3	..	..	..	..
16. Investments in Government Securities	649·83	601·12	595·99	558·58	716·59	+48·71	+42·54	+37·41	—158·01
17. (16) as per cent of (11)	31·7	31·1	32·2	32·0	41·4	..	..	..	..
18. Scheduled Bank Credit†	1470·55	1410·78	1316·96	1319·54	1109·55‡	+59·77	+91·24	—2·58	+209·99
19. (18) as per cent of (11)	71·8	73·1	71·1	75·6	64·0	..	..	..	..

*Excluding balances held on I.M.F. Account No. 1 and some extraordinary items.

†Exclusive of advances 'due' from banks.

‡These figures are estimated and relate to the last Friday of March 1960 as estimates as on March 31 are not available.

4.2: FACTORS RESPONSIBLE FOR VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC

(Rs. crores)

	Variations During			
	1962-63 (March 31 to Jan. 25)	1961-62 (March 31 to Mar. 31)	1961-62 (March 31 to Jan. 26)	1960-61 (March 31 to Mar. 31)
I. Increase (+) in Government Indebtedness to banks	+203·93	+214·30	+130·46	—39·75
1. Increase (+) in Indebtedness to R.B.I.	+151·85	+171·45	+93·18	+116·00
(a) Increase (+) in R.B.I. holdings of Government securities	(+127·65)	(+157·03)	(+68·61)	(+102·83)
(b) Increase (+) in Rupee coin held by R.B.I.	(+4·65)	(—2·86)	(+2·22)	(—4·14)
(c) Increase (+) in Treasury bills purchased and discounted by R.B.I.	(—5·81)	(+14·41)	(—17·38)	(—6·34)
(d) Increase (+) in Loans and Advances granted to State Governments by R.B.I.	(—42·07)	(+46·60)	(+21·78)	(+11·99)
(e) Decline (+) in Government deposits with R.B.I.	(+67·43)	(—43·73)	(+17·95)	(+11·66)
2. Increase (+) in Government securities held by banks	+52·08	+42·85	+37·28	—155·75
II. Increase (+) in Private Indebtedness to Banks	+8·39	+26·59	—34·25	+238·96
1. Increase (+) in banks' advances and holdings of private securities	+106·50	+133·40	+46·81	+224·11*
2. Decline (+) in banks' time deposits	—98·11	—106·81	—81·06	+14·85*
III. Increase (+) in net Foreign Exchange Assets of the R.B.I.	—46·10	—68·05	—57·92	—47·97
IV. Increase (+) in Government's net currency liabilities to Public	+3·08	+20·93	+11·22	+9 47
V. Decline (+) in net non-monetary liabilities of the R.B.I.	—10·98	+2·76	+7·39	+5·69
VI. Decline (+) in net non-monetary liabilities of banks (including errors and omissions)	—51·00	—6·97	—30·91	+25·10
VII. Recorded increase (+) in Money Supply	+107·32	+189·56	+25·99	+191·50*

*Estimated.

Note : Ignoring the withdrawal of currency (Rs. 34·2 crores) from Kuwait, the increase in money supply would be Rs. 60·19 crores for the first ten months of 1961-62 and Rs. 223·76 crores for the whole of that year. Government's indebtedness to the Reserve Bank will be more by Rs. 34·2 crores, in both these periods, than is indicated in the table.

The analysis in the above table is in terms of the recorded changes in the balance sheets of the Reserve Bank and the banks. These changes include variations in PL. 480/665 Funds kept with the State Bank mostly as time deposits. If, for purposes of monetary analysis, these funds are treated, as they should be, as Government deposits rather than as private deposits and consequential adjustments are made in the above table, Government indebtedness to banks would increase and private indebtedness to banks would decrease by an amount equivalent to the decline in these deposits.

A treatment along the above lines is adopted in the table on variations in money supply gives in the text(Part Two, Section VI).

4.3 : SECURED ADVANCES OF SCHEDULED BANKS

(Rs. crores)

Nature of Security	December 30, 1960	December 29, 1961	December* 28, 1962	Variations during 1961	Variations during 1962
I. *Food Articles*	*74·45*	*98·31*	*100·20*	*+23·86*	*+1·89*
1. Paddy and rice	7·30	10·19	10·45	+2·89	+0.26
2. Wheat	2·38	4·35	8·85	+1·97	+4·50
3. Other grains and pulses	5·85	6·82	8·40	+0·97	+1·58
4. Sugar and gur	47·55	65·26	59·52	+17·71	—5·74
5. Vegetable oils (including vanaspati)	11·37	11·69	12·98	+0·32	+1·29
II. *Industrial Raw Materials*	*111·56*	*103·49*	*111·23*	*—8·07*	*+7·74*
1. Groundnuts	11·07	9·07	10·81	—2·00	+1·74
2. Other oilseeds	7·58	7·77	6·36	+0·19	—1·41
3. Cotton and Kapas	67·70	63·40	61·37	—4·30	—2·03
4. Raw Jute	19·57	17·24	27·23	—2·33	+9·99
5. Hides and skins	5·64	6·01	5·46	+0·37	—0·55
III. *Plantation Products*	*47·41*	*48·81*	*48·13*	*+1·40*	*—0·68*
1. Pepper and other spices	4·00	3·80	3·32	—0·20	—0·48
2. Cashewnuts	3·70	3·14	3·98	—0·56	+0·84
3. Tea	32·83	35·50	36·32	+2·67	+0·82
4. Coffee	6·88	6·37	4·51	—0·51	—1·86
IV. *Manufactures and Minerals*	*410·57*	*466·20*	*539·61*	*+55·63*	*+73·41*
1. Cotton textiles	110·70	118·26	136.07	+7·56	+17·81
2. Jute textiles	22·68	22·66	27·87	—0·02	+5·21
3. Other textiles (silk, art silk, woollen etc.)	19·36	22·44	30·04	+3·08	+7·60
4. Iron, steel and engineering products	153·98	179·62	195·87	+25·64	+16·25
5. Other metals and metal products	20·47	22·47	28·75	+2·00	+6·28

6. Coal, manganese, mica and other minerals and mineral oils	14.32	15.58	17.14	+1.26	+1.56
7. Chemicals, dyes, paints, drugs and pharmaceuticals	26.25	35.16	42.75	+8.91	+7.59
8. Electrical goods	15.05	18.16	22.61	+3.11	+4.45
9. Rubber and rubber products	6.60	5.76	9.39	—0.84	+3.63
10. Other manufactured goods	21.16	26.09	29.12	+4.93	+3.03
V. *Other Securities*	*359.89*	*396.78*	*419.69*	*+36.89*	*+22.91*
1. Real estate	24.18	25.85	35.06	+1.67	+9.21
2. Gold and silver bullion and ornaments	31.38	40.73	28.74	+9.35	—11.99
3. Fixed deposits	18.80	19.41	22.25	+0.61	+2.84
4. Government and other trustee securities	43.72	34.26	34.25	—9.46	—0.01
5. Shares and debentures of joint stock companies	98.46	108.70	115.83	+10.24	+7.13
6. Assets of industrial concerns fixed or floating (other than those specified under above categories)	49.51	67.04	76.13	+17.53	+9.09
7. Other secured advances not mentioned above	74.93	80.42	82.11	+5.49	+1.69
8. Composite advances	18.91	20.37	25.32	+1.46	+4.95
VI. *Total Secured Advances* (I+II+III+IV+V)	*1003.88*	*1113.59*	*1218.86*	*+109.71*	*+105.27*

*Provisional

NOTE: The data for December 1962 are exclusive of 'due' from banks.

5·1: INDEX NUMBERS OF WHOLESALE PRICES

(1952-53=100)

Average of weeks	Food Articles		Liquor and Tobacco	Fuel, Power, Light and Lubricants	Industrial Raw Materials				Manufactures	All Commodities
	Total	Food-grains			Total	Raw Cotton	Raw Jute	Oil-seeds		
Weights	50·4	23·5	2·1	3·0	15·5	3·2	2·3	6·0	29·0	100
Financial years										
1955-56	86·6	73·1	81·0	95·2	99·0	96·9	117·1	85·0	99·7	92·5
1956-57	102·3	93·5	84·3	104·2	116·0	110·6	125·5	120·0	106·3	105·3
1957-58	106·4	97·5	94·0	113·5	116·5	106·1	132·8	120·4	108·1	108·4
1958-59	115·2	106·3	95·4	115·4	115·6	99·2	117·5	127·0	108·4	112·9
1959-60	119·0	102·3	99·5	116 5	123·7	105·8	124·5	134·6	111·7	117·1
1960-61	120·0	102·3	109·9	120·0	145·4	111·8	210·2	149·9	123·9	124·9
1961-62	120·1	100·4	100·3	122·2	142·6	108·6	178·0	156·4	126·6	125·1
Calendar years										
1955	85·4	69·7	82·3	95·2	97·3	95·0	122·0	79·4	99·4	91·5
1956	99·0	89·7	82·3	101·6	113·2	108·7	122·2	114·9	104·9	102·7
1957	106·8	98·5	91·8	111·5	118·1	108·2	135·8	122·4	108·0	108·7
1958	112·0	102·8	93·7	114·9	114·7	99·9	120·4	123·7	108·2	111·0
1959	118·2	103·5	100·7	116·1	119·7	102·7	117·8	131·2	109·7	115·5
1960	120·2	103·0	106·4	118·9	138·8	112·6	178·5	144·9	120·8	122·9
1961	119·5	99·7	103·6	121·9	147·7	108·4	207·7	157·8	127·2	125·8
1962	124·9	105·3	99·5	123·2	137·3	112·3	146·2	154·0	128·1	127·2
1960—										
January	117·5	99·9	100·9	116·8	130·9	114·1	143·6	136·0	116·0	118·8
February	118·8	102·7	96·0	117·6	131·6	113·9	134·3	140·8	116·3	119·5
March	117·0	100·8	96·4	117·8	131·9	113·1	140·6	140·5	116·9	118·9
April	118·6	101·2	103·1	118·1	134·2	113·2	154·0	141·4	117·8	120·4
May	120·0	102·9	107·3	119·2	140·1	113·3	198·0	139·9	119·9	122·8
June	120·3	104·1	109·5	119·1	139·7	112·3	186·9	144·4	120·0	123·0
July	124·0	106·8	109·6	119·8	137·2	112·3	155·3	150·9	121·1	124·8
August	123·8	106·3	106·7	119·7	137·0	112·0	165·6	147·0	122·6	125·0
September	123·9	106·0	104·5	119·3	138·7	111·7	180·7	146·9	122·7	125·3
October	121·8	104·2	113·5	119·9	146·6	113·5	225·3	148·3	124·6	126·2
November	120·1	101·8	116·8	119·8	148·0	111·1	231·7	149·3	125·6	125·9
December	117·0	99·2	112·1	119·9	149·5	110·4	226·1	153·5	126·0	124·6

1961—										
January	116·4	98·3	111·2	121·3	155·0	111·3	247·8	159·6	127·5	125·6
February	116·3	98·5	111·2	121·7	159·4	110·0	279·8	158·4	129·3	126·8
March	117·5	98·8	113·4	121·9	159·1	110·9	270·9	159·7	129·7	127·5
April	117·6	97·2	112·0	121·5	153·1	110·0	242·8	157·2	127·5	126·0
May	117·2	97·3	104·1	121·6	153·2	110·0	245·2	156·6	126·9	125·4
June	120·6	99·8	100·1	123·3	148·8	109·5	207·9	160·5	126·2	126·2
July	124·2	101·8	98·6	122·1	151·4	107·2	215·4	165·4	127·6	128·8
August	124·3	102·4	99·9	122·3	144·6	105·0	179·9	162·7	126·3	127·5
September	121·1	100·8	99·7	121·4	138·3	104·2	155·4	156·3	125·5	124·6
October	120·9	100·8	99·5	121·8	136·0	106·6	153·2	149·7	126·5	124·4
November	120·3	100·9	98·3	121·7	137·1	107·6	148·7	153·7	126·6	124·3
December	117·8	99·5	95·3	122·0	136·6	108·7	145·4	153·5	126·6	122·9
1962—										
January	118·3	101·0	97·3	122·2	137·5	110·0	145·7	155·7	126·3	123·3
February	119·9	102·6	99·0	122·8	138·7	112·1	148·3	156·2	126·2	124·3
March	119·1	100·7	99·8	122·6	136·1	112·1	148·3	149·3	126·4	123·6
April	120·5	101·1	98·8	122·4	135·1	112·2	140·9	149·9	126·8	124·2
May	124·2	103·0	102·0	122·3	134·9	112·8	139·0	150·0	127·5	126·3
June	125·5	104·5	99·7	123·3	136·1	112·9	143·6	151·6	128·9	127·5
July	128·6	106·9	98·5	124·5	138·8	114·6	148·8	156·3	129·4	129·7
August	131·5	110·1	99·2	124·5	139·6	113·5	145·8	160·4	129·0	131·1
September	130·0	109·7	99·8	124·9	139·8	112·4	150·9	159·5	129·4	130·6
October	129·0	109·7	100·3	124·8	138·8	110·5	150·6	157·7	129·4	129·9
November	129·6	110·1	100·2	124·4	137·8	112·8	147·1	154·6	129·9	130·2
December	122·8	104·0	99·5	124·3	133·9	111·6	144·9	146·4	128·7	125·8
1963										
January	123·4	103·0	99·3	124·0	133·7	109·5	147·6	45·5	128·5	126·0

5·2: WORKING CLASS CONSUMER PRICE INDEX NUMBERS

(Base shifted to 1949=100)

Monthly Average or months	Bombay	Ahmedabad	Calcutta	Madras	Kanpur	Delhi	Jamshedpur	Gauhati	All-India All-items	All-India Food
Financial years										
1955-56	110	89	93	100	79	100	99	87	96	94
1956-57	116	101	102	113	91	112	108	99	107	108
1957-58	122	104	105	117	93	112	118	104	112	111
1958-59	130	115	109	126	101	117	123	101	118	121
1959-60	136	124	112	135	97	119	126	99	123	126
1960-61	137	120	113	146	100	121	120	104	124	125
1961-62	142	121	115	149	103	128	125	107	127	126
Calendar years										
1955	110	87	92	99	78	99	98	87	96	92
1956	115	98	98	111	89	109	106	96	105	105
1957	120	104	105	116	94	114	115	103	111	112
1958	129	110	110	124	98	113	123	103	116	118
1959	134	125	110	133	98	120	125	98	121	125
1960	137	120	113	143	99	120	120	103	124	126
1961	140	121	114	148	102	127	123	106	126	126
1962*	145	122	120	150	107	130†	129‡	112	131	130
1961—										
October	141	122	119	149	104	127	128	110	128	128
November	141	122	119	149	106	129	129	109	128	128
December	142	122	117	149	104	130	129	108	128	127
1962—										
January	142	119	114	149	107	129	126	109	127	126
February	143	119	114	149	107	129	127	109	127	125
March	143	121	115	149	105	129	127	109	127	125
April	143	121	117	149	102	129	127	111	128	127
May	144	122	119	150	103	127	128	111	129	128
June	146	124	119	150	106	130	128	110	130	130
July	146	125	120	151	108	133	128	112	132	132
August	148	124	123	151	111	134	130	112	133	134
September	147	125	124	151	110	133	132	114	133	134
October	145	123	127	151	109	131	133	117	134	135
November	145	121	125	151	108	n.a.	134	115	133	134
December*	14ω	117	121	151	105	n.a.	n.a.	115	133	134

*Provisional †Average of ten months ‡Average of eleven months

5.3: INDEX NUMBERS OF SECURITY PRICES—ALL INDIA

Average of weeks ended Saturdays	Government & Semi-Government securities	Debentures of JointStock Companies	Preference Shares	Variable Dividend Industrial Securities: Cotton Textiles	Jute Textiles	Iron and Steel	Coal	Cement	Sugar	Financial Institutions	Total
				(Base 1949-50=100)							
1955-56	90·9	100·3	87·3	118†	95	154	81	164	105‡	90·3	121·6
1956-57	90·5	100·1	82·9	134†	70	147	78	176	105‡	92·7	121·2
1957-58	89·3	98·1	74·5	105†	51	119	67	141	95‡	93·3	100·3
				(Base 1952-53=100)							
1957-58*	98·3	99·6	88·0	119·9	63·4	115·7	89·1	125·2	159·7	150·2	125·4
1958-59	99·9	100·1	87·2	113·6	80·2	145·2	107·1	129·0	163·9	176·2	137·3
1959-60	101·2	101·8	92·2	129·2	96·6	161·0	113·7	136·0	178·6	173·6	155·3
1960-61	101·0	100·8	87·2	151·1	90·3	159·5	120·2	143·5	186·8	175·9	171·7
1961-62	100·9	101·1	83·2	180·1	99·9	164·0	123·4	149·0	157·6	206·7	183·7
1961—											
October	101·1	101·3	82·4	181·7	84·5	157·3	118·9	147·8	158·4	203·4	180·9
November	100·9	101·2	82·5	188·7	94·1	162·1	119·7	154·9	156·8	208·8	186·9
December	100·8	101·2	82·1	186·2	91·6	156·2	120·8	150·6	152·0	212·6	184·3
1962—											
January	100·7	101·2	82·1	192·2	91·8	158·0	119·6	151·3	149·8	225·5	187·4
February	100·7	101·0	82·4	199·0	96·3	158·1	117·1	158·8	144·7	226·6	190·5
March	100·7	100·9	82·6	200·5	102·3	156·1	115·9	164·2	144·5	225·7	192·2
April	100·6	101·0	82·4	198·3	166·5	158·7	117·6	165·9	143·6	219·8	192·6
May	100·6	100·8	82·5	196·0	106·4	166·5	130·7	169·3	142·3	216·9	195·3
June	100·7	99·7	81·8	188·3	104·4	164·0	130·4	166·6	138·3	210·2	189·9
July	100·5	99·0	81·4	180·7	102·0	162·8	124·4	156·9	137·3	207·1	184·0
August	100·5	99·1	81·4	184·3	101·5	167·0	123·9	160·3	139·5	210·4	187·0
September	100·4	98·6	81·5	183·7	102·9	160·1	122·8	159·1	138·8	207·7	184·0
October	100·3	98·9	81·5	179·1	100·2	154·7	119·9	154·6	135·8	205·8	178·9
November	99·9	99·0	80·9	171·5	96·6	141·2	115·5	146·4	131·6	204·1	170·5
December	99·6	99·0	80·9	172·0	97·2	138·7	115·6	147·4	132·0	204·1	171·4

*Average of 40 weeks.
†Including woollen and silk textiles.
‡Including breweries.

6.1 : INDIA'S FOREIGN EXCHANGE RESERVES

(Rs. crores)

End of	Assets*	Gross movements (increase + decrease—)	Drawings from the IMF (net)	Net movement excluding drawings (net) from the IMF
1950-51	951·4	+28·6	..	+28·6
1955-56	824·6	+10·5	..	+10·5
1956-57	681·1	—143·5‡	+54·7	—198·2‡
1957-58	421·2	—259·9	+34·5	—294·4
1958-59	378·9	—42·3	..	—42·3
1959-60	362·9	—16·0	—23·8	+7·8
1960-61	303·6	—59·3	—10·7	—48·6
1961-62	297·3	—6·3	+58·4	—64·7
1962-63 (April-Dec.)	243·6	—53·7	+11·9	—65·6
1961-62 :				
April-June	281·8	—21·8	—30·6	+8·8
July-Sept	292·5	+10·7	+89·0	—78·3
Oct.-Dec.	316·7	+24·2	..	+24·2
Jan.-March	297·3	—19·4	..	—19·4
1962-63 :				
April	274·2	—23·1	..	—23·1
May	250·4	—23·8	..	—23·8
June	241·2	—9·1	..	—9·1
Total-April-June	..	—56·1	..	—56·1
July	243·4	+2·1	+11·9	—9·8
August	240·4	—2·9	..	—2·9
September	245·8	+5·3	..	+5·3
Total July-Sept.	..	+4·5	+11·9	—7·4
October	245·9	+0·1	..	+0·1
November	239·7	—6·2	..	—6·2
December†	243·6	+3·9	..	+3·9
Total Oct.-Dec.	..	—2·1	..	—2·01

*Include (1) 7·1 million ounces of gold held by the Reserve Bank of India, valued till October 5, 1956, at Rs. 21·24 per tola and at Rs. 62·50 per tola thereafter as provided under Section 33 of the Reserve Bank of India (Amendment) Act, 1956. (As a result the figures given below the line are not comparable with the preceding figures) ; (*ii*) foreign assets of the Reserve Bank of India and (*iii*) Government balances held abroad.

†Provisional.

‡Unadjusted for gold revaluation by Rs. 77·8 crores.

6.2: INDIA'S BALANCE OF PAYMENTS

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62*					1962-63*		
					1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Total	1st Qr.	2nd Qr.	Total April-Sept.
1. Imports c.i.f.	1233·6	1029·0	928·3	1102·3	249·7	242·3	217·4	268·8	978·0	266·7	267·6	534·3
(a) Private	696·2	503·6	515·9	644·1	159·8	168·9	137·6	154·4	620·7	154·3	165·7	320·0
(b) Government	537·4	525·4	412·4	458·2	89·9	73·4	79·8	114·2	357·3	112·4	101·9	214·3
2. Exports f.o.b.	594·1**	576·3	623·7	630·5	160·0	160·3	179·7	167·5	667·5	150·5	158·2	308·7
3. *Trade Balance* (2—1)	—639·5	—452·7	—304·6	—471·8	—89·7	—82·0	—37·7	—101·1	—310·5	—116·2	—109·4	—255·6
4. Non-monetary gold movement	..	..	5·9	..	..	..	..	..	..	..	..	..
5. Official Donations	34·1	35·8	38·3	46·4†	11·8	7·8	8·1	16·7	44·4	16·2	23·4	33·6
6. Other Invisibles (net)	104·0	90·8	75·3	36·2‡	—0·6	—6·0	0·1‡	—5·6	—12·1‡	—4·0	2·5	—1·5
7. *Current Account (net)*	—501·4	—326·1	—185·1	—389·2	—78·5	—80·2	—29·5	—90·0	—278·2	—110·0	—83·5	—193·5
8. Errors and Omissions	—9·8	—23·9	—22·6	—10·7	—3·4	11·0	—18·2	15·1	4·5	—2·3	2·4	0·1
9. Official Loans (Gross)	115·1	219·7	187·7	256·7	69·0	64·5	70·1	61·4	265·0	62·3	110·0	172·3
10. Other Capital transactions (net)	101·7	88·0	27·8	94·6	21·7	—73·6	1·8	—5·9	—56·0	—6·1	—36·3	—42·4

6:2: INDIA'S BALANCE OF PAYMENTS—*concld.*

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62*					1962-63*		
					1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Total	1st Qr.	2nd Qr.	Total April-Sept.
11. Transactions with I.M.F.(net)	34·5	..	—23·8	—10·7	—30·6	89·0	..	..	58·4	..	11·9	11·9
(*a*) Drawings	34·5	..	..	..	..	119·1	..	..	119·1	..	11·9	11·9
(*b*) Repayments	..	..	23·8	10·7	30·6	30·1	..	..	60·7	..	..	..
12. Movement in Foreign Exchange Reserves (Increase +) (Decrease —)	—259·9	—42·3	—16·0	—59·3	—21·8	+10·7	+24·2	—19·4	—6·3	—56·1	+4·5	—51·6

*Preliminary

**Excludes lend-lease silver repatriated to U.S.A.

†Includes Rs. 8·4 crores earmarked by U.S. authorities to finance export of goods and services to Nepal under their economic aid programme to the country.

‡Includes Rs. 8·3 crores paid to the I.B.R.D. as India's contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

6.3 : MAIN ITEMS OF PRIVATE IMPORTS*

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62**					1962-63**		
					April-June	July-Sept.	Oct.-Dec.	Jan.-March	Total	April-June	July-Sept.	Total April-Sept.
1. Food, drink and tobacco†	27·9	18·9	20·1	25·7	5·1	4·5	5·8	5·4	20·8	4·8	5·1	9·9
2. Drugs and medicines	15·6	10·0	8·8	8·7	2·1	2·3	2·1	1·9	8·4	1·9	1·6	3·5
3. Paper, paper board and newsprint	12·1***	7·1§	8·4	9·2	2·1	2·6	2·9	2·6	10·2	1·7	2·0	3·7
4. Electrical goods	24·8	15·6	14·5	17·5	5·1	4·6	5·3	5·3	20·3	5·0	5·2	10·2
5. Mineral Oils	79·9	56·0	88·0	86·2	20·7	21·2	18·5	21·6	82·0	22·2	21·8	44·0
6. Cotton-raw and waste	19·2	25·1	39·6	81·1	15·5	24·8	7·1	13·4	60·8	10·7	26·7	37·4
7. Jute-raw and waste	6·4	2·6	2·8	5·4	0·8	2·3	2·2	1·2	6·5	0·5	0·4	0·9
8. Chemicals	21·8	24·3	26·9	33·1	9·5	10·0	9·4	9·2	38·1	10·5	12·3	22·8
9. Dyes and colours	14·4	12·5	10·8	12·1	2·9	3·2	2·6	2·7	11·4	2·9	2·7	5·6
10. Metals—Iron and Steel	82·7	41·7	31·4	56·7	14·2	15·2	10·9	15·4	55·7	12·9	14·5	27·4
11. Metals-other than iron and steel	33·5	23·9	25·3	35·4	8·8	8·4	6·6	6·6	30·4	9·8	10·1	19·9
12. Textile yarns	26·7‡	22·8‡	17·5§§	15·6	2·5	2·9	2·8	3·4	11·6	3·3	2·9	6·2
13. Machinery	166·2	109·7	94·8	114·2	36·0	32·8	33·5	36·0	138·3	35·9	33·3	69·2
14. Vehicles (including locomotives)	35·7	24·8	32·8	44·5	13·2	12·0	8·6	8·5	42·3	8·6	7·0	15·6
15. Ships, aircrafts and parts	4·7	7·2	7·9	8·2	0·8	1·4	0·5	1·3	4·0	0·9	0·3	1·2
TOTAL (including others)	696·2	503·6	515·9	644·1	159·8	168·9	137·6	154·4	620·7	154·3	165·7	320·0

*Based on ECD data

†Including cashew nuts

**Preliminary

§Including stationery during April—December 1958

§§Including textile fabrics during April—September, 1959

‡Including textile fabrics

***Including stationery.

6.4 : IMPORTS ON GOVERNMENT ACCOUNT§

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62*			1962-63*		
					1st half	2nd half	Total	1st Qr.	2nd Qr.	Total 1st half
1. Foodgrains	165·3	150·7	150·1	209·2	54·0	62·6	116·6	48·6	31·0	79·6
2. Capital equipment for Government projects	104·7	144·2	93·6	101·0	43·4	60·1	103·5	24·1	28·3	52·4
3. Iron and Steel	49·7	42·7	15·5	20·7	11·5	10·6	22·1	6·0	6·9	12·9
4. Railway Stores	50·3	51·8	16·9	20·2	4·2	5·9	10·1	7·4	9·6	17·0
5. Communication Stores	30·3	11·7	19·1	15·4	6·2	10·1	16·3	3·4	3·4	6·8
6. Others (including fertilisers, mineral oils, etc.)	137·1	124·3	117·2	91·7	44·0	44·7	88·7	22·9	22·7	45·6
TOTAL	*537·4*	*525·4*	*412·4*	*458·2*	*163·3*	*194·0*	*357·3*	*112·4*	*101·9*	214·3

*Preliminary

§Based on ECD data.

6·5: CATEGORY-WISE BREAKDOWN OF EXPORTS*

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62†					1962-63†		
					April-June	July-Sept.	Oct.-Dec.	Jan.-March	Total	April-June	July-Sept.	Total April—Sept.
I. *Food, drink and tobacco* of which:	*198·4*	*217·7*	*220·9*	*219·4*	*45·0*	*59·2*	*75·9*	*63·8*	*243·9*	*48·8*	*58·3*	*107·1*
1. Tea	119·4	137·9	129·8	124·3	13·8	33·3	47·3	30·9	125·3	13·4	30·6	44·0
2. Coffee	N.A.	N.A.	N.A.	7·3	4·1	3·3	1·9	2·2	11·5	1·8	2·7	4·5
3. Sugar	12·0	4·7	2·0	3·3	1·3	1·9	7·3	3·1	13·6	4·0	3·1	7·1
4. Tobacco	16·3	15·9	15·4	15·6	8·9	2·3	1·6	4·6	17·4	8·8	4·4	13·2
5. Cashew kernels	15·9	15·5	15·3	17·0	4·5	7·0	4·4	4·9	20·8	5·3	3·9	9·2
6. Oilcakes	3·1	11·6	22·3	14·7	3·5	4·4	4·8	6·6	19·3	7·3	7·2	14·5
7. Pepper	3·1	2·7	7·6	7·7	2·3	2·0	1·5	4·1	9·9	2·1	1·3	3·4
II. *Raw materials and produce and articles mainly unmanufactured* of which:	*150·0*	*127·9*	*146·0*	*140·5*	*44·0*	*32·7*	*34·6*	*39·0*	*150·3*	*38·4*	*31·1*	*69·5*
1. Cotton-raw and waste	15·9	23·2	15·2	12·8	8·3	4·3	3·7	5·7	22·0	4·5	5·4	9·9
2. Vegetable oils	14·9§	9·6§	16·6§§	8·8	2·1	1·2	0·5	1·4	5·2	2·3	1·9	4·2
3. Hides and skins-raw	7·5	9·2	12·5	10·7	2·2	1·7	2·0	3·1	9·0	2·5	1·9	4·4
4. Metallic ores‡	16·1	14·5	15·6	16·3	4·2	3·9	4·3	5·8	18·2	5·3	2·7	8·0
5. Manganese ore	29·4	13·2	11·9	11·7	3·8	2·7	3·4	2·6	12·5	5·3	3·2	8·5
6. Mica	N.A.	N.A.	N.A.	11·1	3·5	2·6	3·1	2·8	12·0	2·9	2·6	5·5
III. *Articles wholly or mainly manufactured* of which:	*264·9*	*252·8*	*281·3*	*295·1*	*77·3*	*74·6*	*74·9*	*72·5*	*299·3*	*69·3*	*74·2*	*143·5*
1. Jute yarns and manufactures	118·2	105·9	110·9	135·3	38·0	34·6	35·6	34·5	142·7	31·6	39·6	71·2

(*contd*).

6.5: CATEGORY-WISE BREAKDOWN OF EXPORTS*—*concld.*

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62†					1962-63†		
					April-June	July-Sept.	Oct.-Dec.	Jan.-Mar.	Total	April-June	July-Sep.	Total April-Sep.
2. Cotton yarns and manufactures :												
(i) Mill-made	76·2	63·5	80·9	67·5	14·9	13·7	14·0	13·5	56·1	12·6	12·9	25·5
(ii) Handloom				6·2	1·3	1·4	1·7	1·7	6·1	1·6	1·7	3·3
3. Coir yarns and manufactures	9·6	8·9	9·5	9·5	2·8	3·7	3·8	3·7	14·0	3·1	2·9	6·0
4. Hides and skins tanned or dressed and lesther manufactures	23·0	20·0	32·8	27·6	8·3	7·1	7·7	6·8	29·9	7·4	5·9	13·3
IV. *Others*	*8·7*	*7·9*	*9·6*	*9·3*	*2·0*	*2·1*	*2·5*	*2·0*	*8·6*	*2·4*	*2·9*	*5·3*
Total (c.i.f.)	622·0	606·3	657·8	664·3	168·3	168·6	187·9	177·3	702·1	158·9	166·5	325·4
Less estimated freight and insurance	26·5	25·5	27·6	27·7	7·0	7·1	7·8	7·5	29·4	6·7	7·0	13·7
Exports (f.o.b.)‖	*594·1***	*576·3*	*623·7*	*630·5*	*160·0*	*160·3*	*179·7*	*167·5*	*667·5*	*159·5*	*158·2*	*308·7*

*Based on ECD data.

†Preliminary.

‖Excludes also the deviation between value declared and actual realised value.

**Excludes lend-lease silver repatriated to U.S.A.

§Including animal oils.

§§Including animal oils during April-Sept. 1959.

‡From October 1959 onwards, the figures refer to iron ore and concentrates only.

6.6: CURRENT ACCOUNT: INVISIBLES§

(Rs. crores)

	1957-58	1958-59	1959-60	1960-61	1961-62† April-June	1961-62† July-Sept.	1961-62† Oct.-Dec.	1961-62† Jan.-March	1961-62† Total	1962-63† April-June	1962-63† July-Sept.	1962-63† Total Apr.-Sept.
1. *Foreign Travel*												
Receipts	15·8	17·6	19·6	16·4	1·1*	1·0*	1·3*	1·5*	4·9*	1·3*	1·1*	2·4*
Payments	7·1	7·8	9·5	12·1	4·1	3·0	2·2	2·4	11·7	4·7	3·1	7·8
Net	+8·7	+9·8	+10·1	+4·3	—3·0	—2·0	—0·9	—0·9	—6·8	—3·4	—2·0	—5·4
2. *Transportation*												
Receipts	47·4	45·1	45·1	44·1	11·4	12·9	11·5	11·6	47·4	11·0	11·1	22·1
Payments	19·0	18·0	21·6	24·6	6·7	7·3	6·1	6·4	26·5	6·3	6·8	13·1
Net	+28·4	+27·1	+23·5	+19·5	+4·7	+5·6	+5·4	+5·2	+20·9	+4·7	+4·3	+9·0
3. *Insurance*												
Receipts	9·0	9·8	8·0	8·1	1·7	1·9	2·0	1·9	7·5	1·6	1·7	3·3
Payments	5·5	5·4	5·3	5·8	1·2	1·8	1·6	1·0	5·6	1·1	0·9	2·0
Net	+3·5	+4·4	+2·7	+2·3	+0·5	+0·1	+0·4	+0·9	+1·9	+0·5	+0·8	+1·3
4. *Investment Income*												
Receipts	23·3	16·3	13·8	14·3	2·6	3·5	3·1	2·6	11·8	3·7	1·7	5·4
Payments	28·5	36·2	47·2	60·3	14·6	22·2	13·0	20·1	69·9	19·2	24·2	43·4
Net	—5·2	—19·9	—33·4	—46·0	—12·0	—18·7	—9·9	—17·5	—58·1	—15·5	—22·5	—38·0
5. *Government not included elsewhere*												
Receipts	28·2	40·1	49·8	51·1	6·7	6·7	9·3	8·1	30·8	8·3	18·0	26·3
Payments	13·9	14·5	12·5	21·0	4·0	3·5	11·3	5·4	24·2	3·1	3·5	6·6
Net	+14·3	+25·6	+37·3	+30·1	+2·7	+3·2	—2·0	+2·7	+6·6	+5·2	+14·5	+19·7
6. *Miscellaneous*												
Receipts	33·9	31·6	24·0	31·3	10·6	10·8	9·2	7·8	38·4	7·1	8·5	15·6
Payments	25·3	28·5	28·7	32·9	10·4	11·0	9·2	9·7	40·3	7·6	6·9	14·5
Net	+8·6	+3·1	—4·7	—1·6	+0·2	—0·2	..	—1·9	—1·9	—0·5	+1·6	+1·1
7. *Donations*												
(a) *Official*												
Receipts	34·1	35·8	38·3	46·4	11·8	7·8	8·1	16·7	44·4	10·2	23·4	33·6
Payments	..	..	..	..	..	..	..	..	..	..	..	..
Net	+34·1	+35·8	+38·3	+46·4	+11·8	+7·8	+8·1	+16·7	+44·4	+10·2	+23·4	+33·6
(b) *Private*												
Receipts	62·2	57·4	55·9	44·4	10·8	10·1	10·5	10·1	41·5	9·5	8·9	18·4
Payments	16·5	16·7	16·1	16·8	4·5	4·1	3·4	4·2	16·2	4·5	3·1	7·6
Net	+45·7	+40·7	+39·8	+27·6	+6·3	+6·0	+7·1	+5·9	+25·3	+5·0	+5·8	+10·8
8. *Total*												
Receipts	253·9	253·7	254·5	256·1	56·7	54·7	55·0	60·3	226·7	52·7	74·4	127·1
Payments	115·8	127·1	140·9	173·5	45·5	52·9	46·8	49·2	194·4	46·5	48·5	95·0
Net	+138·1	+126·6	+113·6	+82·6	+11·2	+1·8	+8·2	+11·1	+32·3	+6·2	+25·9	+32·1

†Preliminary.
§Based on ECD data.

*Incomplete.

6.7: REGIONAL PATTERN OF INDIA'S BALANCE OF PAYMENTS (CURRENT ACCOUNT)**

(Rs. crores)

Period	Sterling Area		Dollar Area		OEEC Countries		Rest of non-Sterling Area		Total
	Total	of which: U.K.	Total	of which: U.S.A.	Total	of which: West Germany	Total	of which: Japan	
1951-52	+98·9	—0·8	—151·0	—192·3	—34·8	—18·2	—75·7	—5·0	—162·6
1952-53	+98·9	—62·6	—26·9	—26·3	—20·3	—12·1	+8·5	+16·0	+60·2
1953-54	+64·2	—32·5	+27·2	+20·4	—57·5	—18·7	+13·5	+17·3	+47·4
1954-55	+52·9	—23·5	+14·9	+1·0	—75·7	—34·6	+13·9	—1·2	+6·0
1955-56	+44·2	—74·5	+39·2	+27·7	—84·5	—45·6	+13·4	—1·2	+12·3
1956-57	—37·9	—120·7	—44·5	—64·0	—199·9	—103·7	—30·0	—17·3	—312·3
1957-58	—71·8	—168·3	—122·1*	—135·3	—255·8	—148·1	—51·7	—28·9	—501·4*
1958-59	—12·3	—117·7	—87·5	—94·4	—165·2	—99·3	—61·1	—8·2	—326·1
1959-60@	—45·7	—109·3	—61·5	—76·3‡	—104·8	—71·0	+26·9	+4·4	—185·1
1960-61†	—41·2	—96·0	—207·6	—210·7	—141·8	—84·6	+1·4	—16·6	—389·2
1961-62†	—44·7	—93·8	—78·3	—94·9	—146·4	—87·0	—8·8	+0·8	—278·2
1st quarter	—16·6	—31·8	—23·5	—26·4	—38·0	—20·9	—0·4	—3·0	—78·5
2nd quarter	—19·9	—27·7	—20·9	—23·5	—36·1	—21·8	—3·3	+0·9	—80·2
3rd quarter	+10·8	—5·6	—6·4	—12·3	—30·1	—16·8	—3·8	+1·9	—29·5
4th quarter	—19·0	—28·7	—27·5	—32·7	—42·2	—27·5	—1·3	+1·0	—90·0
1962-63†									
1st quarter	—28·5	n.a.	—42·9	n.a.	—31·0	n.a.	—7·6	n.a.	—10·0
2nd quarter	—10·0	n.a.	—33·0	n.a.	—32·3	n.a.	—8·2	n.a.	—3·5

Net credit (+) Net debit (—).

*Excludes silver despatched to the U.S.A. under Lend-lease Programme.

@Revised.

†Preliminary

‡Excludes non-monetary gold movement of Rs. 5·9 crores,

**Beasd on ECD data,

6.8 : QUANTITY AND VALUE OF EXPORTS OF CERTAIN SELECTED ITEMS

(Value in Rs. lakhs)

Commodity	Unit	Apr.-Dec. 1962		Apr-Dec. 1961	
		Quantity	Value	Quantity	Value
1. Tea	million kgs.	169	99,23	162	97,65
2. Coffee	lakh kgs.	162	6,23	253	7,57
3. *Spices*	value	..	9,92	..	11,10
(*a*) Pepper	lakh kgs.	135	4,42	106	4,38
(*b*) Others	value	..	5,50	..	6,72
4. Tobacco	lakh kgs.	528	14,68	339	10,21
5. *Vegetable oils (non-essential)*	value	..	7,83	..	4,08
(*a*) Castor oil	lakh kgs.	214	3,07	198	3,21
(*b*) Linseed oil	"	7	13	3	6
(*c*) Other vegetable oils	value	..	4,63	..	81
6. Vegetable oils (essential)	'000 kgs.	1,137	3,37	902	3,67
7. Oil cakes	'000 tonnes	574	20,81	358	11,22
8. Sugar (excl. molasses)	'000 tonnes	318	12,57	255	13,02
9. Cashew kernel	lakh kgs.	323	14,08	307	13,76
10. Raw cotton	'000 tonnes	31	7,83	43	10,23
11 Cotton waste	lakh kgs.	300	3,71	357	4,70
12. Leather—Hides and skins tanned or dressed	lakh kgs.	146	16,88	160	19,63
13. Hides and skins (undressed)	lakh kgs.	104	7,39	80	5,51
14. Jute manufactures	value	..	119,83	..	111,53
15. *Cotton textiles*	million metres	368	24,09	404	36,23
(*a*) Cotton piece goods (mill made)	million metres	349	29,47	385	..
(*b*) Cotton piecegoods (Handloom)	"	20	4,59	19	37
16. Art Silk fabrics	lakh metres	588	6,40	490	4,13
17. *Coir fibre yarn and mfrs.*	value	..	9,24	..	8,47
(*a*) Coir fibre and yarn	lakh kgs.	453	6,48	435	5,88
(*b*) Coir manufactures	value	..	2,76	..	2,59
18. Iron ore	lakh tonnes	26	13,58	25	..
19. Manganese ore	"	5	5,84	7	8,00
20. Other minerals and ores (excluding mica)	value	..	2,45	.	3,40
21. Mica	lakh kgs.	219	8,02	191	7,28
22. '*New manufa tures*'					
(*a*) Ferro-manganese	'000 tonnes	9	69	59	5,30
(*b*) Cement	"	34	27	91	84
(*c*) Base metals incl. scrap (excluding, ferromanganese)	value	..	2,28	..	7,84

6·8: QUANTITY AND VALUE OF EXPORTS OF CERTAIN SELECTED ITEMS—*contd.*

(Value in Rs. lakhs)

Commodity	Unit	April-December, 1962		April-December, 1961	
		Quantity	Value	Quantity	Value
(*d*) Engineering goods .	value	..	5,50	..	4,16
(*e*) Chemicals and allied products .	,,	..	2,69	..	2,75
(*f*) Foot wear . . .	lakh pairs	32	1,82	24	1,55
(*g*) Plastic goods . .	value	..	12	..	8
(*h*) Red earthen tiles .	lakh nos.	n.a.	12	80	13
Total including re-exports and other items . . .	value	..	510,80	..	499,11

NOTES (1) Exports of Goa, Daman and Diu are not included.

(2) Figures are provisional and are based on advance data.

Source : D.G.C.I.S.

7.1 : EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED

(SUMMARY)

(Rs. crores)

	Authorisations upto end of 2nd Plan	Utilisations upto end of 2nd Plan	Balance available for utilisation in 3rd Plan	Authorisations from 1-4-61 to 31-12-62	Total available upto 31-12-62 for utilisation in 3rd Plan	Utilisations from 1-4-61 to 31-12-62	Balance available as on 1-1-63
A. Loans to be repaid in foreign currency	1272·18	729·51	542·67	768·83	1311·50	365·62	945·88
B. Loans to be repaid in rupees	245·48	119·12	126·36	50·04	176·40	84·20	92·20
C. Grants (excluding those under U. S. Public Laws)	260·28	230·47	29·81	37·44	67·25	26·91	40·34
Total (A+B+C)	*1777·94*	*1079·10*	*698·84*	*856·31*	*1555·15*	*476·73*	*1078·42*
D. U. S. assistance under P. L. 480 and P. L. 665*	1147·66	550·16	597·50	43·33	640·83	174·82	466·01
GRAND TOTAL (A+B+C+D)**	*2925·60*	*1629·26*	*1296·34*	*899·64*	*2195·98*	*651·55*	*154·43*

*Utilisation refers to rupee deposits made against commodities imported.

**Excludes third country currency assistance of Rs. 2·78 crores from U.S.A. and grant of Rs. 4·78 crores from U.N. (Special Fund).

7.2 : EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED

(Rs. crores)

Source of Assistance and Projects	Authorisations up to end of 2nd Plan	Utilisations up to end of 2nd Plan	Balance available for utilisation in 3rd plan	Authorisations from 1-4-61 to 31-12-62	Total available up to 31-12-62 for utilisation in 3rd Plan	Utilisations from 1-4-61 to 31-12-62	Balance available as on 1-1-63
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. Loans to be repaid in foreign currency :							
I. *I. B. R. D.*							
(*a*) *Public Sector*							
1. Agriculture	3·43	3·43	..	..	..	..	..
2. Railways—I	15·62	15·62	..	..	..	..	..
3. Railways—II	42·86	42·86	..	..	..	..	..
4. Railways—III	40·48	40·48	..	..	..	..	..
5. Railways—IV	23·81	23·81	..	..	..	..	..
6. Railways—V	33·33	6·88	26·45	..	26·45	26·45	..
7. Railways—VI	..	..	..	23·81	23·81	21·43	2·38
8. D.V.C.—I	7·96	7·96	..	..	..	..	..
9. D.V.C.—II	5·00	5·00	..	..	..	..	..
10. D.V.C.—III	10·48	8·67	1·81	..	1·81	0·73	1·08
11. Koyna	8·90	4·35	4·55	..	4·55	1·93	2·62
12. Calcutta Port—I	13·81	4·81	9·00	..	9·00	4·15	4·85
13. Calcutta Port—II	..	..	..	10·00	10·00	0·27	9·73
14. Madras Port	6·67	1·99	4·68	..	4·68	1·07	3·61
15. Air India International	2·67	2·67	..	..	..	..	..
	215·02	168·53	46·49	33·81	80·30	56·03	24·27

(b) Private Sector							
1. I.I.S.Co.—I	13·90	13·90	..	..	..	..	..
2. I.I.S.Co.—II	9·52	8·34	1·18	..	1·18	1·01	0·17
3. I.I.S.Co.—III	..	..	..	9·29	9·29	..	9·29
4. T.I.S.Co.—I	35·71	35·71	..	..	..	..	..
5. T.I.S.Co.—II	15·48	15·48	..	..	..	..	..
6. Trombay—I	6·62	6·22	0·40	..	0·40	0·16	0·24
7. Trombay—II	4·67	4·25	0·42	..	0·42	0·17	0·25
8. I.C.I.C.I.—I	4·76	3·76	1·02	..	1·02	0·84	0·18
9. I.C.I.C.I.—II	4·76	0·44	4·32	..	4·32	2·66	1·66
10. I.C.I.C.I.—III	9·52	..	9·52	..	9·52	2·97	6·55
11. I.C.I.C.I.—IV	..	..	..	9·52	9·52	0·48	9·04
12. Private Collieries	..	..	..	16·67	16·67	..	16·67
	104·94	88·08	16·86	35·48	52·34	8·29	44·05
TOTAL I	*319·96*	*256·61*	*63·35*	*69·29*	*132·64*	*64·32*	*68·32*
II. *I.D.A.*							
1. Highways Development	..	..	..	28·57	28·57	2·69	25·88
2. U.P. Tubewells	..	..	..	2·86	2·86	0·43	2·43
3. Shetrunji Irrigation	..	..	..	2·14	2·14	0·25	1·89
4. Salandi Irrigation	..	..	..	3·81	3·81	0·34	3·47
5. Punjab Drainage	..	..	..	4·76	4·76	1·12	3·64
6. D. V. C.	..	..	..	8·81	8·81	..	8·81
7. Sone Irrigation*	..	..	..	7·14	7·14	..	7·14
8. Purna Irrigation*	..	..	..	6·19	6·19	0·99	5·20
9. Koyna*	..	..	..	8·33	8·33	..	8·33
10. Bombay Port*	..	..	..	8·57	8·57	..	8·57
11. P.T.T.*	..	..	..	20·00	20·00	..	20·00
TOTAL II	..	..	..	*101·18*	*101·18*	*5·82*	*95·36*

(contd.)

7·2: EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED—*condt*

(Rs. crores)

Sources of Assistance and Projects	Authorisations up to end of 2nd Plan	Utilisations up to end of 2nd Plan	Balance available for utilisation in 3rd Plan	Authorisations from 1-4-61 to 31-12-62	Total available upto to 31-12-62 for utilisation in 3rd Plan	Utilisations from 1-4-61 to 31-12-62	Balance available as on 1-1-63
III. *Loans from foreign countries*—							
1. U.S.A.							
(*i*) Wheat loan	90·31	90·31	..	..	..	..	..
(*ii*) Exim Bank loans—							
(*a*) First credit	71·43	28·14	43·29	..	43·29	41·13	2·16
(*b*) Second credit	23·81	..	23·81	..	23·81	6·41	17·40
(*c*) Third credit	..	..	..	11·90	11·90	..	11·90
(*d*) Credit to A.I.I.—I	..	..	..	2·29	2·29	2·29	..
(*e*) Credit to A.I.I.—II	..	..	..	4·53	4·53	4·32	0·21
(*f*) Credit to National Rayon Corporation	0·86	..	0·86	..	0·86	0·86	..
(*g*) Credit to Hindustan Aluminium	6·50	2·13	4·37	..	4·37	2·94	1·43
(*h*) Credit to Orient Paper Mills	..	..	..	8·81	8·81	..	8·81
(*iii*) U. S. Banks' loans to A.I.I.							
(*a*) First loan	5·33	5·33	..	..	..	..	..
(*b*) Second loan	0·57	0·57	..	..	..	..	..
(*c*) Third Loan	1·14	..	1·14	..	1·14	1·14	..
(*iv*) Agency for International Development—							
(*a*) Non-project loan*	..	..	..	95·24	95·24	27·40	67·84
(*b*) Cambay Power Project	..	..	..	16·00	16·00	7·15	8·85
(*c*) Railway loan—IV*	..	..	..	20·48	20·48	..	20·48
(*d*) Bandel Power Project*	..	..	..	18·10	18·10	0·64	17·46
(*e*) Patherdih Coal Washery*	..	..	..	2·00	2·00	0·71	1·29
(*f*) Pamba Kakki Power Project*	..	..	..	9·62	9·62	..	9·62
(*g*) I.F.C.—II*	..	..	..	9·52	9·52	..	9·52
(*h*) Premier Automobile Co. II*	..	..	..	1·43	1·43	..	1·43
(*i*) D.C.M. Rayon Tyre Cord Project*	..	..	..	4·67	4·67	..	4·67
(*j*) Trombay Thermal Power Station*	..	..	..	8·52	8·52	..	8·52
(*k*) Napco Bevel Gear of India*	..	..	..	1·09	1·09	..	1·09
(*l*) Telco*	..	..	..	6·52	6·52	..	6·52
(*m*) Hindustan Motors Ltd.*	..	..	..	7·52	7·52	..	7·52
	199·95	*126·48*	*73·47*	*228·24*	*301·71*	*94·99*	*206·72*

2. *U.S.S.R.*							
(*i*) Bhilai Steel Plant	64·71	64·54	0·17	..	0·17	0·17	..
(*ii*) Five Industrial Projects	59·53	8·01	51·52	..	51·52	21·49	30·03
(*iii*) Drugs Project	9·52	..	9·52	..	9·52	0·52	9·00
(*iv*) Barauni Oil Refinery	11·91	0·43	11·48	..	11·48	6·97	4·51
(*v*) Third Plan Credit—I	178·58	..	178·58	..	178·58	19·80	158·78
(*vi*) Third Plan Credit—II	59·53	..	59·53	..	59·53	0·51	59·02
	383·78	72·98	310·80	..	310·80	49·46	261·34
3. *United Kingdom*							
(*i*) Lazard Bros., Credit for Durgapur Steel Plant	15·33	15·33	..	..	..	..	..
(*ii*) E.C.G.D Credit—I (Durgapur)	20·00	20·00	..	..	..	..	..
(*iii*) E.C.G.D Credit—II (capital goods)	38·00	38·00	..	..	..	..	..
(*iv*) E.C.G.D Credit—III (capital goods)	25·33	25·33	..	..	..	..	..
(*v*) E.C.G.D Credit—IV (Oil pipe line)	4·00	3·19	0·81	..	0·81	0·78	0·03
(*vi*) E.C.G.D Credit—V (capital goods)	13·33	13·33	..	..	..	..	..
(*vii*) E.C.G.D Credit—VI (capital goods)	6·67	6·67	..	..	..	..	..
(*viii*) E.C.G.D Credit—VII (capital goods)	..	..	..	13·33	13·33	13·33	..
(*ix*) E.C.G.D Credit—VIII (capital goods)	..	..	..	40·00	40·00	15·12	24·88
(*x*) E.C.G.D Credit—IX (capital goods)	..	..	..	6·67	6·67	6·67	..
(*xi*) E.C.G.D Credit—X (capital goods)*	..	..	..	13·33	13·33	6·67	6·66
(*xii*) E.C.G.D. Credit—XI (expansion of Durgapur Steel Plant)*	..	..	..	29·33	29·33	..	29·33
(*xiii*) E.C.G.D Credit—XII (capital goods)*	..	..	..	17·33	17·33	..	17·33
(*xiv*) E.C.G.D—XIII (capital goods)*	..	..	..	6·67	6·67	6·67	..
	122·66	121·85	0·81	126·66	127·47	49·24	78·23

(contd.)

7·2: EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED—*contd.*

(Rs. crores)

Source of Assistance and Projects	Authorisations upto end of 2nd Plan	Utilisations upto end of 2nd Plan	Balance available for utilisation in 3rd Plan	Authorisations from 1-4-61 to 31-12-62	Total available upto 31-12-62 for utilisation in 3rd Plan	Utilisations from 1-4-61 to 31-12-62	Balance available as on 1-1-63
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 *Federal Republic of Germany*							
(*i*) Credit for Rourkela Steel Plant	75·50	61·30	14·20	..	14·20	10·29	3·91
(*ii*) Credit for capital goods—I	19·05	19·05	..	..	..	..	..
(*iii*) Credit for capital goods—II*	..	..	..	11·90	11·90	11·90	..
(*iv*) Untied cash credits—I	14·18	14·18	..	..	..	..	..
(*v*) Untied cash credit—II	14·18	14·18	..	..	..	..	..
(*vi*) Untied cash credit—III	..	..	..	11·90	11·90	11·90	..
(*vii*) Untied cash credit—IV	..	..	..	20·24	20·24	20·24	..
(*viii*) Credit to finance Rourkela repayments—I	11·16	11·16	..	..	..	..	..
(*ix*) Credit to finance Rourkela repayments—II	..	..	..	27·38	27·38	27·38	..
(*x*) Credit to finance Rourkela repayments—III*	..	..	..	10·12	10·12	8·60	1·52
(*xi*) Credit to finance import of project equipment and non-project items*	..	..	..	44·05	44·05	..	44·05
	134·07	119·87	14·20	125·59	139·79	90·31	49·48
5. *Canada*							
(*i*) Wheat Loan—I	11·51	11·51	..	..	..	..	..
(*ii*) Wheat Loan—II	4·20	4·20	..	..	..	..	..
(*iii*) Credit for capital goods	..	..	..	11·90	11·90	..	11·90
	15·71	15·71	..	11·90	11·90	..	11·90
6. *Japan*							
(*i*) Credit for capital goods—I	23·81	16·01	7·80	..	7·80	6·63	1·17
(*ii*) Credit for capital goods—II	..	..	..	38·09	38·09	2·44	35·65
(*iii*) Credit for Orissa Iron Ore Project	3·81	..	3·81	..	3·81	1·82	1·99
	27·62	16·01	11·61	38·09	49·70	10·89	38·81

7. *Italy*							
ENI credit*	..	..	..	21·43	21·43	0·02	21·41
8. *Switzerland*							
Credit for capital goods	11·98	..	11·98	..	11·98	0·11	11·87
9. *France*							
(*i*) Credit for capital goods—I	..	..	..	14·29	14·29	..	14·29
(*ii*) Credit for capital goods—II*	..	..	..	9·52	9·52	..	9·52
(*iii*) Credit to IFC*	..	..	..	4·76	4·76	..	4·76
	..	..	..	28·57	28·57	..	28·57
10. *Austria*							
Credit for capital goods*	..	..	..	2·38	2·38	..	2·38
11. *Czechoslovakia*							
Credit for capital goods	23·10	..	23·10	..	23·10	..	23·10
12. *Poland*							
(*i*) Credit for capital goods	14·30	..	14·30	..	14·30	0·46	13·84
(*ii*) Credit for coal and other industries*	..	..	..	15·50	15·50	..	15·50
	14·30	..	14·30	15·50	29·80	0·46	29·34
13. *Yugoslavia*							
Credit for capital goods	19·05	..	19·05	..	19·05	..	19·05
TOTAL III	952·22	472·90	479·32	598·36	1077·68	295·48	782·20
TOTAL—A	1272·18	729·51	542·67	768·83	1311·50	365·62	945·88
B. *Loans to be repaid in rupees*							
1. *U. S. A.*							
(*i*) Development assistance loans	42·22	42·22	..	..	..	..	..
(*ii*) U. S. President's Asian Economic Development Assistance	9·02	0·02	9·00	..	9·00	2·84	6·16
(*iii*) Development Loan Fund	194·24	76·88	117·36	50·04	167·40	81·36	86·04
TOTAL (B)	245·48	119·12	126·36	50·04	176·40	84·20	92·20

(*Contd.*)

7.2 : EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED—*concld.*

(Rs crores)

Source of Assistance and Project	Authorisations up to end of 2nd Plan	Utilisations up to end of 2nd Plan	Balance available for utilisation in 3rd Plan*	Authorisations from 1-4-61 to 31-12-62	Total available up to 31-12-62 for utilisation in 3rd Plan	Utilisations from 1-4-61 to 31-12-62	Balance available as on 1-1-63
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
C. *Grants*							
1. *U. S. A.*							
(*i*) TCA grants	130·27	118·17	12·10	10·35	22·45	11·62	10·83
(*ii*) Ford Foundation	16·07	11·68	4·39	1·16	5·55	1·55	4·00
2. *Colombo Plan Countries*							
(*i*) Canada	90·65	80·00	10·65	22·20	32·85	11·64	21·21
(*ii*) Australia	13·28	12·64	0 64	2·67	3·31	0·88	2·43
(*iii*) New Zealand	3·43	3·23	0·20	0·02	0·22	0·20	0·02
(*iv*) United Kingdom	0 81	0·46	0·35	0·05	0·40	0·10	0·30
3. Norway	2·53	2·53	..	0·99	0·99	0·64	0·35
4. West Germany	2·09	0·61	1·48	..	1·48	0·28	1·20
5. U.S.S.R.	1·15	1·15	..	..	..	..	..
TOTAL (C)	260·28	230·47	29·81	37·44	67·25	26·91	40·34
D. *U. S. Public Law Assistance*							
(*i*) P.L. 480†	1113·00	515·50	597·50	43·33	640·83	174·82	466·01
(*ii*) P. L. 665†	31·88	31·88	..	..	..	..	..
(*iii*) Third country currency assistance	2·78	2·78	..	..	..	..	..
TOTAL (D)	1147·66	550·16	597·50	43·33	640·83	174·82	466·01
GRAND TOTAL (A+B+C+D)	2925·60	1629·26	1296·34	899·64	2195·98	651·55	1544·43

*These credits were authorised in 1962-63.

†Utilisation refers to rupee deposits made against commodities imported.

**Excludes third country currency assistance of Rs 2·78 crores from U.S.A. and grants totalling Rs 4·78 crores from United Nations (Special Fund)

7·3: ASSISTANCE COMMITTED BY THE AID-INDIA CONSORTIUM

(Rs. crores)

	Year of Commitment		Total	Authorisations against commitments upto 31-12-62	Balance yet to be authorised as on 1-1-63
	1961-62	1962-63			
1. Austria	..	2·38	2·38	2·38	..
2. Belgium	..	4·76	4·76	..	4·76
3. Canada	13·33	15·71	29·04	29·04	..
4. France	7·14	21·43	28·57	28·57	..
5. Germany (Western)	107·14	66·19	173·33	125·59	47·74
6. Italy	..	25·24	25·24	21·43	3·81
7. Japan	23·81	26·19	50·00	38·09	11·91
8. Netherlands	..	5·24	5·24	..	5·24
9. United Kingdom	86·67	40·00	126·67	126·67	..
10. United States	259·52	207·14	466·66	278·28	188·38
11. IBRD and IDA	119·05	95·24	214·29	170·47	43·82
	616·66	509·52	1126·18	820·52	305·66

THE COMPULSORY DEPOSIT SCHEME BILL, 1963

(As introduced in Lok Sabha)

A

BILL

to provide in the interest of national economic development for compulsory deposit and for the framing of a scheme in relation thereto.

Be it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. (1) **Short title extent and commencement.**—This Act may be called the Compulsory Deposit Scheme Act, 1963.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. **Persons to whom Act applies.**—This Act shall apply to the following categories of persons, namely:—

(a) persons liable to payment of land-revenue under any law with respect to land-revenue whether or not such persons are liable to pay tax under the Income-tax Act;

(b) persons liable to payment of tax under the Income-tax Act;

(c) holders of immovable properties situated in urban areas assessed to tax (whether known as property tax, house tax or by any other name);

(d) employees of—

(i) the Central and State Governments,

(ii) local authorities,

(iii) companies as defined in section 3 of the Companies Act, 1956 (1 of 1956), including Government companies as defined in section 617 of that Act,

(iv) any other corporation (including a co-operative society) established by or under a Central, Provincial or State Act,

whose annual income from salary is one thousand five hundred rupees or more and who are not liable to payment of tax under the Income-tax Act;

(e) shopkeepers whose annual turnover, determined in accordance with the provisions of any law with respect to tax on the sale of goods, is fifteen thousand rupees or more and who are not liable to payment of tax under the Income-tax Act;

(f) persons other than shopkeepers liable to payment of taxes on professions, trades, callings or employments under any law with respect to the same but not liable to payment of tax under the Income-tax Act;

(g) such other categories of persons [than those referred to in clauses (a) to (f)] whose annual income is one thousand five hundred rupees or more and who are not liable to payment of tax under the Income-tax Act, as may be specified by the Central Government by notification in the Official Gazette.

3. Definitions.—In this Act, unless the context otherwise requires,—

(a) "additional surcharge" means additional surcharge for the purposes of the Union referred to in the annual Finance Act;

(b) "deposit" means a deposit of money;

(c) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961).

(d) "person" does not include a body of persons;

(e) "salary" has the same meaning as in section 17 of the Income-tax Act, but in relation to a person falling under clause (d) of section 2 does not include any gratuity;

(f) "shopkeepers" means a person carrying on any retail trade or business in any premises;

(g) "urban area" means any area within the local limits of a municipality (by whatever name called), a notified area committee, a town area committee, a city and town committee, a small town committee, a Cantonment Board or a Panchayat and having a population of ten thousand or more.

4. Requirement as to compulsory deposit.—(1) As from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, every person to whom this Act applies, other than a person falling under clause (b) of section 2, shall make a compulsory deposit at such rate as may be provided for in a scheme framed under this Act:

Provided that different notifications may be issued under this sub-section on different dates in relation to different categories of persons:

Provided further that the rate of compulsory deposit shall not exceed the maximum rate specified in sub-section (2).

(2) The maximum rate of deposit shall be—

(a) in the case of a person falling under clause (a) of section 2, fifty per cent. of the land-revenue payable for the year 1959-60 in respect of the land or lands held by him in the year in which the deposit is required to be made;

(b) in the case of a person falling under clause (c) of that section, three per cent. of the annual rental value of the property with reference to which the property is assessed to the tax referred to in that clause in the year in which the deposit is required to be made:

Provided that where the property is assessed to such tax with reference to the estimated value thereof or with reference to any other standard, the maximum rate of deposit under this clause shall be three per cent. of the annual rent at which that property might reasonably be expected to let from year to year;

(c) in the case of a person falling under clause (d) of that section, three per cent. of his annual income from salary;

(d) in the case of a person falling under clause (e) of that section, one-third of one per cent. of his turnover during the year immediately preceding the year in which the deposit is required to be made;

(e) in the case of a person falling under clause (f) of that section, an amount equal to the amount of the tax on his profession, trade, calling or employment payable by him during the year in which the deposit is required to be made;

(f) in the case of a person falling under clause (g) of that section, a sum of sixty rupees per annum.

(3) A person falling under clause (b) of section 2 by whom any additional surcharge is payable in respect of any assessment year may make a deposit under this Act in respect of that year and if he does so, then, he shall, on production of proof before the income-tax officer concerned of the fact of such deposit having been made, be entitled to deduction from the additional surcharge of a sum which shall be equal to—

(a) the sum so deposited, or

(b) (i) where his residual income is six thousand rupees or less, three per cent. of such residual income, or

(ii) where his residual income exceeds six thousand rupees, three per cent. of the first six thousand rupees of such residual income and two per cent. of the balance thereof,

whichever is less.

Explanation.—In this sub-section "residual income" has the same meaning as in section 2 of the Finance Act, 1963.

(4) Any person falling under clause (b) of section 2 who is in receipt of any income under the head "Salaries" during any financial year may make a deposit under this Act in that year and if he does so, then, notwithstanding anything in the Income-tax Act, the person responsible for paying that income shall, on production of proof of additional surcharge included in the tax to be deducted in accordance with the provisions of section 192 of that Act by a sum which shall be equal to—

(a) the sum so deposited, or

(b) the sum calculated in accordance with clause (b) of sub-section (3),

whichever is less.

(5) Any person falling under clause (b) of section 2 who is liable to pay advance tax under the Income-tax Act in any financial year may make a deposit under this Act in that year and if he does so, then, notwithstanding anything contained in the Income-tax Act, he shall, on production of proof before the income-tax officer concerned of the fact of such deposit having been made, be entitled to deduction from the additional surcharge included in the advance tax, of a sum which shall be equal to—

(a) the sum so deposited, or

(b) the sum calculated in accordance with clause (b) of sub-section (3),

whichever is less.

Explanation.—In this sub-section, "advance tax" shall have the same meaning as in section 207 of the Income-tax Act.

(6) Where any person falls under any two or more categories referred to in section 2 other than the category referred to in clause (b) of that section, then, he shall make a compulsory deposit at the rate applicable to each of those categories.

(7) Any deposit made under this section shall bear simple interest at the rate of four per cent. per annum and notwithstanding anything in the Income-tax Act, the amount of such interest shall be free of any tax under that Act.

(8) Any deposit made under this section during any year shall be repayable with interest thereon at any time after the expiry of five years from the end of the year in which the deposit has been made:

Provided that nothing in this sub-section shall prevent earlier repayment of any deposit with interest thereon in the event of the death of the depositor if the authority empowered to make such repayment is satisfied that genuine hardship will be caused unless such repayment is made.

(9) If any doubt or dispute arises as to the amount to be deposited by any person under this Act or as to the date on which such amount is to be deposited or as to any other matter in relation to any deposit to be made under this Act, the decision thereon of the Government or any authority empowered by the Government in this behalf shall be final.

5. **Compulsory Deposit Scheme.**—(1) The Central Government shall, by notification in the Official Gazette, frame one or more scheme or schemes to be called Compulsory Deposit Scheme or Schemes in relation to deposits under this Act.

(2) A scheme framed under sub-section (1) may provide for,—

(a) the rates at which and the period for which compulsory deposits shall be made by the several categories of persons to whom this Act applies and the extension of such period;

(b) the manner (including the deduction of deposits at source) in which and the intervals at which such deposits shall be made;

(c) the documents to be issued to persons by whom deposits have been made as evidence of such deposits;

(d) the authority or authorities by or through whom deposits may be collected;

(e) the accounts to be maintained with respect to such deposits and the officers by whom such accounts shall be maintained;

(f) the nomination of any person to receive the amount standing to the credit of a depositor in the event of his death and the cancellation or change of such nomination;

(g) the issue of duplicate of any document issued as evidence of any deposit in the event of loss or destruction of the original and the fee on the payment of which such duplicate may be issued;

(h) the repayment and withdrawal of deposits with interest thereon and the conditions, if any, under which such repayment or withdrawal may be made;

(i) any other matter which may be necessary or proper for the effective implementation of the Scheme.

6. **Modification of Scheme.**—The Central Government may, by notification in the Official Gazette, add to, amend or vary any scheme framed under this Act.

7. **Rounding off.**—Where the amount of any deposit to be made under this Act contains a part of a rupee, then, if such part is fifty naye paise or more, it shall be increased to one complete rupee and if such part is less than fifty naye paise, it shall be ignored.

8. **Protection against attachment.**—(1) The amount standing to the credit of any depositor shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the depositor.

(2) Any amount standing to the credit of a depositor at the time of his death and payable to his nominee under a scheme shall vest in the nominee and shall be free from any debt or other liability incurred by the deceased or incurred by the nominee before the death of the depositor.

9. **Penalty for failure to make deposit.**—(1) If any person who is liable to make a deposit under this Act fails to make the same within the time specified therefore, he shall be liable to pay by way of penalty an amount equal to the amount of deposit which he is liable to make.

Provided that before levying any such penalty such person shall be given a reasonable opportunity of being heard in respect of the same.

(2) Where any company or other corporation referred to in clause (d) of section 2 is responsible for paying any income falling under the head "Salaries" as mentioned in the Income-tax Act, then, notwithstanding anything in that Act, in computing the total income of that company or other corporation under that Act for any assessment year commencing on or after the 1st day of April, 1964, no deduction shall be allowed in respect of payment of any income under that head which in the case of any employee exceeds one thousand five hundred rupees but from which no tax is duductable under the heading "B—Deduction at source" in Chapter XVII of that Act unless a sum equal to the amount which such employee is required to deposit under this Act is deducted from such income at source and is deposited in accordance with the provisions of this Act and the scheme framed thereunder.

10. **Recovery of arrears of deposit and penalty.**—Any arrear of deposit and any penalty, for failure to make such deposit under this Act shall be recoverable in the same manner as an arrear of land-revenue.

11. **Protection of action taken in good faith.**—No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any scheme framed thereunder.

12. **Scheme to be laid before the Houses of Parliament.**—Any scheme framed under this Act shall be laid, as soon as may be, after it is framed before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more

successive sessions, and if before the expiry of that session in which it is so laid or the session or sessions immediately following both Houses agree in making any modification in any provision of the scheme or both Houses agree that any provision in the scheme should not be made, the provision of the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that provision.

STATEMENT OF OBJECTS AND REASONS

The object of the Bill is to augment the resources of the nation for national development. With this object in view the Bill requires certain categories of persons to deposit a portion of their income in accordance with schemes to be framed for the purpose. Subject to the maximum rates of deposit specified in the Bill itself, the schemes will lay down the actual rates at which the deposits shall be made. The schemes will also make detailed provisions in relation to the deposits. The deposits will bear interest at the rate of four per cent. per annum and will be repayable at the end of five years.

NEW DELHI;

The 28th February, 1963.

MORARJI DESAI.

FINANCIAL MEMORANDUM

The Scheme of Compulsory Deposits is proposed to be operated through the existing agencies of the Central and State Governments and the Local Authorities. For this purpose, these agencies will have to be suitably strengthened. In addition, in accordance with sub-clause (7) of clause 4 of the Bill, interest at 4 per cent. per annum on the deposits made under the Scheme will also have to be paid at the time of the repayment of the deposits.

On the basis of an annual deposit of Rs. 65 to Rs. 70 crores, the additional cost on strengthening the existing administrative machinery is approximately estimated at Rs. 25 lakhs non-recurring and Rs. 50 lakhs per annum recurring and Rs. 2 to 3 crores per annum on account of interest charges.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 5 of the Bill provides that the Central Government shall, by notification in the Official Gazette, frame one or more scheme or schemes to be called Compulsory Deposit Scheme or Schemes in relation to deposits under the Act. The various matters which among others may be provided for in a scheme have been specified in items (a) to (h) of sub-clause (2) of that clause. The important matters in relation to deposits, such as the maximum rates of deposits, the rate of interest thereon and the period after which the deposits may be repaid or withdrawn have been provided for in the Bill itself, the various matters which may be provided for in a scheme are matters of procedure and administrative detail. It is hardly practicable to provide for all these matters of procedure and detail in the Bill itself. The delegation of legislative power is thus of a normal character.

LOK SABHA

BILL

to provide in the interest of national economic development for compulsory deposit and for the framing of a scheme in relation thereto.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(Shri Morarji R. Desai
Minister of Finance.)

THE SUPER PROFITS TAX BILL, 1963

(As introduced in Lok Sabha)

A

BILL

to impose a special tax on certain companies.

Be it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. Short title and extent.—(1) This Act may be called the Super Profits Tax Act, 1963.

(2) It extends to the whole of India.

2. Definitions.—In this Act, unless the context otherwise requires,—

(1) "assessee" means a person by whom super profits tax or any other sum of money is payable under this Act and includes every person in respect of whom any proceeding under this Act has been taken for the assessment of his chargeable profits or of the amount of refund due to him;

(2) "assessment" includes re-assessment;

(3) "assessment year" means the period of twelve months commencing on the 1st day of April, every year;

(4) "Board" means the Central Board of Revenue constituted under the Central Board of Revenue Act, 1924 (4 of 1924);

(5) "chargeable profits" means the total income of an assessee computed under the Income-tax Act, 1961 (43 of 1961) for any previous year or years, as the case may be, and adjusted in accordance with the provisions of the First Schedule;

(6) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961);

(7) "prescribed" means prescribed by rules made under this Act;

(8) "standard deduction" means an amount equal to six per cent. of the capital of the company as computed in accordance with the provisions of the Second Schedule:

Provided that where the previous year is greater or less than a period of twelve months, the aforesaid amount of six per cent. of the capital shall be increased or decreased proportionately:

Provided further that where an assessee has different previous years in respect of his income, profits and gains, the aforesaid increase or decrease, as the case may be, shall be calculated with reference to the length of the previous year of the longest duration; and

(9) all other words and expressions used herein but not defined and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

3. **Tax authorities.**—(1) Every Director of Inspection, Commissioner of Income-tax, Appellate Assistant Commissioner of Income-tax, Inspecting Assistant Commissioner of Income-tax and Income-tax Officer shall have the like powers and perform the like functions, under this Act as he has and performs, under the Income-tax Act, and for the exercise of his powers and the performance of his functions, his jurisdiction under this Act will be the same as that he has under the Income-tax Act.

(2) All officers and persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board:

Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of the Appellate Assistant Commissioner in the exercise of his appellate functions.

(3) Every Income-tax Officer, employed in the execution of this Act. shall observe and follow the orders, instructions and directions issued for his guidance by the Director of Inspection or by the Commissioner or by the Inspecting Assistant Commissioner under whose jurisdiction he performs his functions.

4. **Charge of tax.**—Subject to the provisions contained in this Act, there shall be charged for every assessment year commencing on and from the 1st day of April, 1963, a tax (in this Act referred to as the super profits tax) in respect of the chargeable profits of the previous year or previous years, as the case may be, of every company, at the rate or rates specified in the Third Schedule.

5. **Return of income.**—(1) In the case of every company whose chargeable profits assessable under this Act exceeded during the previous year the amount of standard deduction, its principal officer, or in the case of a non-resident company if it has no principal officer in India, the person treated as its agent under section 163 of the Income-tax Act, shall furnish a return of the chargeable profits of the company during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, before the 30th day of September of the assessment year:

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(2) In the case of any company which in the Income-tax Officer's opinion is assessable under this Act, the Income-tax Officer may, before the end of the relevant assessment year, serve a notice upon its principal officer, or in the case of a non-resident company if it has no principal officer in India upon any person who is treated as its agent under section 163 of the Income-tax Act, requiring him to furnish within thirty days from the date of service of the notice, a return of the company's chargeable profits during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed:

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(3) Any assessee who has not furnished a return during the time allowed by the Income-tax Officer under sub-section (1) or sub-section (2),

or having furnished a return under sub-section (1) or sub-section (2) discovers any omission or wrong statement therein, may furnish a return or a revised return, as the case may be, at any time before the assessment is made.

6. **Assessments.**—(1) For the purposes of making an assessment under this Act, the Income-tax Officer may serve on any person who has made a return under sub-section (1) of section 5 or upon whom a notice has been served under sub-section (2) of section 5 (whether a return has been made or not) a notice requiring him on a date therein to be specified, to produce or cause to be produced such accounts or documents as the Income-tax Officer may require for the purposes of this Act and may from time to time serve further notices requiring the production of such further accounts or documents or other evidence as he may require.

(2) The Income-tax Officer, after considering such accounts, documents or evidence, if any, as he has obtained under sub-section (1) and after taking into account any relevant material which he has gathered, shall, by an order in writing, assess the chargeable profits and the amount of the super profits tax payable on the basis of such assessment.

7. **Provisional assessments.**—(1) The Income-tax Officer, before proceeding to make an assessment (in this section referred to as the regular assessment) under section 6, may, at any time after the expiry of the period allowed under sub-section (1) or sub-section (2) of section 5 for the furnishing of the return and whether the return has or has not been furnished, proceed to make in a summary manner a provisional assessment of the chargeable profits and the amount of the super profits tax payable thereon.

(2) Before making such provisional assessment, the Income-tax Officer shall give notice in the prescribed form to the person on whom the provisional assessment is to be made of his intention to do so, and shall with the notice forward a statement of the amount of the proposed assessment, and the said person shall be entitled to deliver to the Income-tax Officer at any time within fourteen days of the service of the said notice a statement of his objections, if any, to the amount of the proposed assessment.

(3) On expiry of the said fourteen days from the date of service of the notice referred to in sub-section (2), or earlier, if the assessee agrees to the proposed provisional assessment, the Income-tax Officer may, after taking into account the objections, if any, made under sub-section (2), make a provisional assessment, and shall furnish a copy of the order of the assessment to the assessee:

Provided that assent to the amount of the provisional assessment, or failure to make objection to it, shall in no way prejudice the assessee in relation to the regular assessment.

(4) There shall be no right of appeal against a provisional assessment made under this section.

(5) After a regular assessment has been made, any amount paid or deemed to have been paid towards the provisional assessment made under this section shall be deemed to have been paid towards the regular assessment; and where the amount paid or deemed to have been paid towards the provisional assessment exceeds the amount payable under the regular assessment, the excess shall be refunded to the assessee.

8. Profits escaping assessment.—If—

(a) the Income-tax Officer has reason to believe that by reason of the omission or failure on the part of the assessee to make a return under section 5 for any assessment year or to disclose fully and truly all material facts necessary for his assessment for any assessment year, chargeable profits for that year have escaped assessment or have been under-assessed or assessed at too low a rate or have been made the subject of excessive relief under this Act, or

(b) nothwithstanding that there has been no omission or failure as mentioned in clause (a) above on the part of the assessee, the Income-tax Officer has in consequence of information in his possession reason to believe that chargeable profits assessable for any assessment year have escaped assessment or have been under-assessed or assessed at too low a rate or have been the subject of excessive relief under this Act,

he may, in cases falling under clause (a) at any time, and in cases falling under clause (b) at any time within four years of the end of that assessment year, serve on the assessee a notice containing all or any of the requirements which may be included in a notice under section 5, and may proceed to assess or re-assess the amount chargeable to super profits tax, and the provisions of this Act shall, so far as may be, apply as if the notice were a notice issued under that section.

9. Penalties.—If the Income-tax Officer, in the course of any proceedings under this Act, is satisfied that any person has, without reasonable cause, failed to furnish the return required under section 5, or to produce or cause to be produced the documents, accounts or other evidence required by the Income-tax Officer under sub-section (1) of section 6, or has concealed the particulars of the chargeable profits or has deliberately furnished inaccurate particulars of such profits, he may direct that such person shall pay, by way of penalty, in addition to the amount of super profits tax payable, a sum not exceeding—

(a) where the person has failed to furnish the return required under section 5, the amount of super profits tax payable;

(b) in any other case, the amount of super profits tax which would have been avoided if the return made had been accepted as correct:

Provided that the Income-tax Officer shall not impose any penalty under this section without the previous authority of the Inspecting Assistant Commissioner.

10. Opportunity of being heard.—No order imposing a penalty under section 9 shall be made unless the assessee has been given a reasonable opportunity of being heard.

11. Appeals to the Appellate Assistant Commissioner.—(1) Any person objecting to the amount of super profits tax for which he is liable as assessed by the Income-tax Officer or denying his liability to be assessed under this Act, or objecting to any penalty or fine imposed by the Income-tax Officer, or to the amount allowed by the Income-tax Officer by way of any relief under any provisions of this Act, or to any refusal by the Income-tax Officer to grant relief or to an order of rectification or amendment having the effect of enhancing the assessment or reducing the refund, or to an order refusing to allow the claim made by the assessee for a rectification under section 13 or amendment under section 14 may appeal to the Appellate Assistant Commissioner.

(2) Every appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(3) An appeal shall be presented within thirty days of the following date, that is to say—

(a) where the appeal relates to assessment or penalty or fine, the date of service of the notice of demand relating to the assessment or penalty or fine, or

(b) in any other case, the date on which the intimation of the order sought to be appealed against is served:

Provided that the Appellate Assistant Commissioner may admit an appeal after the expiration of the said period if he is satisfied that the appellant had sufficient cause for not presenting it within that period.

(4) The Appellate Assistant Commissioner shall hear and determine the appeal and, subject to the provisions of this Act, pass such orders as he thinks fit and such orders may include an order enhancing the assessment or a penalty:

Provided that an order enhancing an assessment or a penalty shall not be made unless the person affected thereby has been given a reasonable opportunity of showing cause against such enhancement.

(5) The procedure to be adopted in the hearing and determination of the appeals shall, with any necessary modification, be in accordance with the procedure applicable in relation to income-tax.

12. **Appeals to Appellate Tribunal.**—(1) Any assessee aggrieved by an order passed by a Commissioner under section 15, or an order passed by an Appellate Assistant Commissioner under any provisions of this Act, may appeal to the Appellate Tribunal against such order.

(2) The Commissioner may, if he objects to any order passed by the Appellate Assistant Commissioner under any provisions of this Act, direct the Income-tax Officer to appeal to the Appellate Tribunal against the order.

(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the Commissioner, as the case may be.

(4) The Income-tax Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Appellate Assistant Commissioner has been preferred under sub-section (1) or sub-section (2) by the other party may, notwithstanding that he may not have appealed against such order or any part thereof, within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the order of the Appellate Assistant Commissioner, and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3).

(5) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (3) or sub-section (4), if it is satisfied that there was sufficient cause for not presenting it within that period.

(6) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and, shall, except

in the case of an appeal referred to in sub-section (2) or a memorandum of cross-objections referred to in sub-section (4), be accompanied by a fee of rupees one hundred.

(7) Subject to the provisions of this Act, in hearing and making an order on any appeal under this section, the Appellate Tribunal shall exercise the same powers and follow the same procedure as it exercises and follows in hearing and making an order on any appeal under the Income-tax Act.

13. **Rectification of mistakes.**—(1) With a view to rectifying any mistake apparent from the record, the Commissioner, the Income-tax Officer, the Appellate Assistant Commissioner and the Appellate Tribunal may, of his, or its, own motion or on an application by the assessee in this behalf, amend any order passed by him or it in any proceeding under this Act within four years of the date on which such order was passed.

(2) An amendment which has the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of the assessee shall not be made under this section unless the authority concerned has given notice to the assessee of its intention so to do and has allowed the assessee a reasonable opportunity of being heard.

(3) Where an amendment is made under this section, the order shall be passed in writing by the authority concerned.

(4) Subject to the other provisions of this Act, where any such amendment has the effect of reducing the assessment, the Income-tax Officer shall make any refund which may be due to such assessee.

(5) Where any such amendment has the effect of enhancing the assessment or reducing the refund already made, the Income-tax Officer shall serve on the assessee a notice of demand in the prescribed form spcifying the sum payable.

14. **Other amendments.**—Where as a result of any order made under section 154 or section 155 of the Income-tax Act, it is necessary to recompute the chargeable profits determined in any assessment under this Act, the Income-tax Officer may proceed to recompute the chargeable profits, and determine the super profits tax payable or refundable on the basis of such recomputation and make the necessary amendment and the provisions of section 13 shall, so far as may be, apply thereto, the period of four years specified in sub-section (1) of that section being reckoned from the date of the order passed under the aforesaid sections of the Income-tax Act.

15. **Revision of orders prejudicial to revenue.**—(1) The Commissioner may call for and examine the record of any proceeding under this Act, if he considers that any order passed therein by the Income-tax Officer is erroneous in so far as it is prejudicial to the interests of the revenue, he may, after giving the assessee an opportunity of being heard and after making or causing to be made such inquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or cancelling the assessment and directing a fresh assessment.

(2) No order shall be made under sub-section (1)—

(a) to revise an order of re-assessment made under section 8, or

(b) after the expiry of two years from the date of the order sought to be revised.

(3) Notwithstanding anything contained in sub-section (2), an order in revision under this section may be passed at any time in the case of an order which has been passed in consequence of, or to give effect to, any finding or direction contained in an order of the Appellate Tribunal, the High Court or the Supreme Court.

Explanation.—In computing the period of limitation for the purposes of sub-section (2), any period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded.

16. **Revision of orders by Commissioner.**—(1) The Commissioner may, either of his own motion or on an application by the assessee for revision, call for the record of any proceeding under this Act which has been taken by an Income-tax Officer or Appellate Assistant Commissioner subordinate to him and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may pass such orders thereon, not being an order prejudicial to the assessee, as he thinks fit.

(2) The Commissioner shall not of his own motion revise any order under this section if the order has been made more than one year previously.

(3) In the case of an application for revision under this section by the assessee, the application shall be made within one year from the date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier:

Provided that the Commissioner may, if he is satisfied that the assessee was prevented by sufficient cause from making the application within that period, admit an application made after the expiry of that period.

(4) The Commissioner shall not revise any order under this section in the following cases—

(a) where an appeal against the order lies to the Appellate Assistant Commissioner or to the Appellate Tribunal but has not been made and the time within which such appeal may be made has not expired, or, in the case of an appeal to the Appellate Tribunal, the assessee has not waived his right of appeal; or

(b) where the order is pending on an appeal before the Appellate Assistant Commissioner; or

(c) where the order has been made the subject of an appeal to the Appellate Tribunal.

(5) Every application by an assessee for revision under this section shall be accompanied by a fee of twenty-five rupees.

Explanation 1.—An order by the Commissioner declining to interfere shall, for the purposes of this section, be deemed not to be an order prejudicial to the assessee.

Explanation 2.—For the purposes of this section, the Appellate Assistant Commissioner shall be deemed to be an authority subordinate to the Commissioner.

17. **Application of provisions of Act 43 of 1961.**—The provisions of the following sections and Schedules of the Income-tax shall apply with such modifications, if any, as may be prescribed, as if the said provisions were provisions of this Act and referred to super profits tax instead of income-tax:—

2(44), 131 to 138 (both inclusive), 140, 156, 160, 161, 162, 163, 166, 167, 170, 173, 175, 176, 178, 179, 220 to 229 (both inclusive), 231, 232,

233, 237 to 245 (both inclusive), 254 to 262 (both inclusive), 265 to 269 (both inclusive), 281, 282, 284, 286 to 293 (both inclusive), the Second Schedule and the Third Schedule:

Provided that references in the said provisions to the "assessee" shall be construed as references to an assessee as defined in this Act.

18. **Income-tax papers to be available for the purposes of this Act.**—(1) Notwithstanding anything contained in the Income-tax Act, all information contained in any statement or return made or furnished under the provisions of that Act or obtained or collected for the purposes of that Act may be used for the purposes of this Act.

(2) All information contained in any statement or return made or furnished under the provisions of this Act or obtained or collected for the purposes of this Act may be used for the purposes of the Income-tax Act.

19. **Failure to deliver returns, etc.**—If any person fails without reasonable cause to furnish in due time any return under section 5 or to produce, or cause to be produced, any accounts or documents required to be produced under section 6, he shall be punishable with fine which may extend to five hundred rupees, and with a further fine which may extend to ten rupees for every day during which the default continues.

20. **False statements.**—If a person makes in any return required under section 5, any statement which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

21. **Abetment of false returns, etc.**—If a person makes or induces in any manner another person to make and deliver any account, statement or declaration relating to chargeable profits liable to super profits tax which is false and which he either knows to be false or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

22. **Institution of proceedings and composition of offences.**—(1) A person shall not be proceeded against for an offence under section 19 or section 20 or section 21 or under the Indian Penal Code except at the instance of the Commissioner.

(2) The Commissioner may, either before or after the institution of proceedings, compound any offence punishable under section 19 or section 20 or section 21.

23. **Power to make exemption, etc., in relation to certain Union territories.**—If the Central Government considers it necessary or expedient so to do for avoiding any hardship or anomaly or removing any difficulty that may arise as a result of the application of this Act, to the Union territories of Dadra and Nagar Haveli, Goa, Daman and Diu and Pondicherry, the Central Government may, by general or special order, make an exemption, reduction in rate or other modification in respect of super profits tax in favour of any class of assessees or in regard to the whole or any part of the chargeable profits of any class of assessees.

24. **Power to make rules.**—(1) The Board may, subject to the control of the Central Government, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters:—

(a) the form in which returns under section 5 may be furnished and the manner in which they may be verified;

(b) the form in which notice for making provisional assessment shall be given;

(c) the form in which appeals under section 11 or section 12 may be filed and the manner in which they shall be verified;

(d) the procedure to be followed on applications for rectification of mistakes and applications for refunds;

(e) any other matter which by this Act is to be, or may be, prescribed.

(3) The Central Government shall cause every rule made under this section to be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days, which may be, comprised in one session or in two successive sessions, and, if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, that rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

25. **Saving.**—Nothing contained in this Act shall apply to any company which has no share capital.

THE FIRST SCHEDULE

[*See* section 2(5)]

RULES FOR COMPUTING THE CHARGEABLE PROFITS

In computing the chargeable profits of a pervious year, the total income computed for that year under the Income-tax Act shall be adjusted as follows:—

1. Income, profits and gains falling within the following sub-rules shall be excluded from such total income, namely:—

(i) any income chargeable under the Income-tax Act under the head "Capital gains";

(ii) any compensation or other payment as is referred to in clause (ii) of section 28 of the Income-tax Act;

(iii) profits of any business of life insurance.

2. On the balance of the total income, income-tax and super-tax shall be calculated at the rates in force in the financial year, as if such income had been the total income no portion of which had been exempt from the payment of income-tax or super-tax and on no portion of which any deduction of income-tax or super-tax had been admissible under any provisions of the Income-tax Act or the annual Finance Act; and the tax so calculated shall be deducted from the amount of the income aforesaid.

3. The net amount of income calculated in accordance with rule 2 shall be increased by any expenditure incurred on account of commission, entertainment and advertisement, to the extent such expenditure, in the opinion of the Income-tax Officer, is excessive having regard to the circumstances of the case:

Provided that the previous authority of the Inspecting Assistant Commissioner is obtained for holding such expenditure to be excessive.

THE SECOND SCHEDULE

[*See* section 2(8)]

RULES FOR COMPUTING THE CAPITAL OF A COMPANY FOR THE PURPOSES OF SUPER PROFITS TAX

1. Subject to the other provisions contained in this Schedule, the capital of a company shall be the sum of the amounts, as on the first day of the previous year relevant to the assessment year, of its paid up share capital and of its reserves in so far as the amounts credited thereto have not been allowed in computing its profits for the purposes of the Indian Income-tax Act, 1922 (11 of 1922) or the Income-tax Act, 1961 (43 of 1961) diminished by the amount by which the cost to it of the assets the income from which in accordance with the First Schedule is not includible in its chargeable profits, exceeds any money borrowed by it which remains outstanding.

Explanation 1.—A paid up share capital or reserve brought into existence by creating or increasing (by revaluation or otherwise) any book asset is not capital for computing the capital of a company for the purposes of this Act.

Explanation 2.—Any premium received in cash by the company on the issue of its shares standing to the credit of the share premium account shall be regarded as forming part of its paid up share capital.

2. Where after the first day of the previous year relevant to the assessment year, the paid up share capital of a company is increased or reduced by any amount during that previous year, the capital computed in accordance with rule 1 shall be increased or decreased, as the case may be, by a portion of that amount which is proportional to the portion of the previous year during which the increase or the reduction of the paid up share capital remained effective.

3. Where a part of the income, profits and gains of a company are not includible in its total income as computed under the Income-tax Act, its capital shall be the sum ascertained in accordance with rules 1 and 2, diminished by an amount which bears to that sum the same proportion as the amount of the aforesaid income, profits and gains bears to the total amount of its income, profits and gains.

THE THIRD SCHEDULE

(*See* section 4)

RATES OF SUPER PROFITS TAX

Super profits tax shall be charged on the amount by which the chargeable profits exceed the amount of the standard deduction, at the following rates, namely:—

(i) on an amount equal to four per cent. of the amount of capital as computed in accordance with the Second Schedule.	50%
(ii) on the balance	60%

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to impose a special tax on certain companies on their income and profits as reduced by the income-tax and super-tax chargeable thereon, in so far as such reduced amount exceeds six per cent. of their capital. The Notes on Clauses explain the various provisions contained in the Bill.

MORARJI DESAI.

NEW DELHI;

The 28th February, 1963.

Notes on Clauses

Clause 2 contains definitions of the various terms and expressions used in the clauses of the Bill.

Sub-clause (5) defines 'chargeable profits' to mean the total income of the assessee for the previous year relevant to the assessment year as computed under the Income-tax Act, 1961 and adjusted in accordance with the provisions of the First Schedule.

Sub-clause (8) defines the term 'standard deduction' to mean an amount equal to six per cent. of the capital of the company as computed in accordance with the Second Schedule and adjusted in relation to the length of the previous year.

Sub-clause (9) says in general that all words and expressions used in the Bill but not defined therein and defined in the Income-tax Act, 1961 shall have the same meanings as in that Act.

Clause 3 seeks to give jurisdiction to the same authorities as have jurisdiction under the Income-tax Act, 1961.

Clause 4 seeks to provide for the charging of super-profits tax for the assessment year 1963-64 and subsequent assessment years on the chargeable profits of every company during the previous year or years at the rate or rates specified in the Third Schedule.

Clause 5—

Sub-clause (1) seeks to impose a liability on the principal officer of every company, or in the case of a non-resident company if it has no principal officer in India, the person treated as its agent under section 163 of the Income-tax Act, 1961 to furnish a return of the chargeable profits of the company by the 30th day of September of the relevant assessment year.

Sub-clause (2) seeks to enable the Income-tax Officer to issue a notice requiring the filing of a return of the chargeable profits within thirty days from the date of service of the notice.

Under both the sub-clauses, the Income-tax Officer has been authorised to extend the time for furnishing the return.

Clause 6 provides that the Income-tax Officer may call for accounts, documents or other evidence from the assessee for the purpose of his assessment, and shall make the assessment after considering all the material so obtained by him.

Clause 7 enables the Income-tax Officer to make a provisional assessment of the chargeable profits of the assessee at any time after the expiry of the period allowed for filing a return subject to the issue of a 14 days' notice to him inviting his objections, if any, to the proposed assessment. It has been provided that there shall be no right of appeal against such a provisional assessment and that the tax paid on the provisional assessment shall be deemed to have been paid towards the regular assessment.

Clause 8 relates to the assessment or re-assessment of chargeable profits which have escaped assessment or have been under-assessed etc. This provides that in the case of omission or failure on the part of the assessee to file a return or to disclose fully and truly all the materials necessary for his assessment, such proceedings may be initiated at any

time, and in other cases within four years of the end of the relevant assessment year.

Clause 9 relates to the imposition of penalties for the assessee's failure without reasonable cause to furnish a return of his chargeable profits or to produce the accounts, documents or evidence required by the Income-tax Officer, and for any concealment or deliberate furnishing of inaccurate particulars of his chargeable profits.

Clause 10 provides that the assessee shall be given a reasonable opportunity of being heard before any penalty under clause 9 is imposed upon him.

Clause 11 relates to appeals by the assessees to the Appellate Assistant Commissioner against any order passed by the Income-tax Officer. The provisions in this clause are on the lines of the corresponding provisions in the Income-tax Act, 1961.

Clause 12 relates to appeals to the Appellate Tribunal by assessees or by the Income-tax Officer under the directions of the Commissioner against any order made by the Appellate Assistant Commissioner. It has been provided that in disposing of such appeals, the Tribunal shall exercise the same powers and follow the same procedure as it exercises and follows in disposing of any appeal under the Income-tax Act, 1961.

Clause 13 provides for the rectification of mistakes apparent from the record of any proceedings by the Commissioner, the Income-tax Officer, the Appellate Assistant Commissioner and the Appellate Tribunal, *suo motu* or at the instance of the assessee, within four years of the date on which the order sought to be rectified has been passed. The provisions in this clause are on the lines of the corresponding provisions of the Income-tax Act, 1961.

Clause 14 seeks to enable the Income-tax Officer to re-compute the chargeable profits of the assessee in consequence of any order of rectification or amendment passed by him under section 154 or section 155 of the Income-tax Act, 1961, in relation to the relevant income-tax assessment of the assessee, within four years from the date of the latter order.

Clause 15 enables the Commissioner to revise any orders passed by the Income-tax Officer which are prejudicial to revenue, within a period of two years from the date of the order sought to be revised. This provision corresponds to section 263 of the Income-tax Act, 1961.

Clause 16 enables the Commissioner to give relief to the assessee on revision of any orders passed by the Income-tax Officer or the Appellate Assistant Commissioner subordinate to him, either of his own motion or on an application by the assessee. The provisions in this clause correspond to the provisions in section 264 of the Income-tax Act, 1961.

Clause 17 seeks to make applicable to the proceedings relating to super-profits tax, certain provisions of the Income-tax Act, 1961, pertaining to various matters for which no separate provision has been made in the Bill, *e.g.*, issue and service of notice of demand, recovery of arrear tax dues, assessment proceedings against non-residents through an agent, liability of directors of private companies in liquidation, reference to High Court, appeal to the Supreme Court, etc.

Clause 18 provides that all information contained in any statement or returns made by the assessee or furnished in any proceeding under the Income-tax Act, 1961, may be used for the purposes of proceedings relating to the super-profits tax and *vice-versa*.

Clauses 19 *to* 22 (*both inclusive*) relate to prosecution for various offences by way of failure to deliver returns without any reasonable cause, making of false statements, abetment of false returns, and composition of such offences. These provisions substantially correspond to the relevant provisions in the Income-tax Act, 1961.

Clause 23 seeks to enable the Central Government to make an exemption, reduction in rate or other modification in respect of super-profits tax in favour of any class of assessees or in regard to the whole or any part of the chargeable profits of any class of assessees in order to remove any difficulty or avoid any hardship that may arise as a result of application of super-profits tax to the Union territories of Dadra and Nagar Haveli, Goa, Daman and Diu and Pondicherry.

Clause 24 seeks to enable the Central Board of Revenue to make rules for carrying out the purposes of this enactment.

Clause 25 seeks to exclude companies which have no share capital from the purview of super-profits tax.

The *First Schedule* lays down rules for computing the chargeable profits.

The *Second Schedule* lays down rules for computing the capital of a company for the purposes of super-profits tax.

The *Third Schedule* lays down the rates at which super-profits tax are sought to be levied on chargeable profits exceeding the amount of the standard deduction.

FINANCIAL MEMORANDUM

The Bill seeks to impose a new tax on all companies other than companies having no share capital. This tax will be administered by the Income-tax Department but its proceedings relating to assessment, collection and revision and appeals will be separate from that of income-tax. The administration of this tax will, therefore, necessitate the employment of some additional staff. The expenditure on account of additional staff together with incidental expenses on administration is estimated at about Rs. 4 lakhs.

REQUIREMENT OF PERSONNEL AND FINANCE

	No.	Annual Emoluments	Cost
			Rs.
I. *Officers*—			
Commissioner of Income-tax	1	1×Rs. 20,400	20,400
Assistant Commissioners	3	3×Rs. 14,400	43,200
Income-tax Officers (Cl. I)	12	12×Rs. 5,400	64,800
II. *Staff*—			
Inspectors	4	4×Rs. 2,880	11,520
Supervisors	8	8×Rs. 4,320	34,560
Headclerks	7	7×Rs. 3,000	21,000
Stenographers	4	4×Rs. 1,800	7,200
Upper division clerks	50	50×Rs. 1,800	90,000
Stenotypists	12	12×Rs. 1,680	20,160
Lower division clerks	18	18×Rs. 1,500	27,000
III. *Incidental expenses*—			
Incidental expenses including Class IV staff			50,000
TOTAL			3,89,840
or, say			3,90,000

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 24 empowers the Board to make rules for carrying out the purposes of the Act. The matters in respect of which such rules may be made pertain to the form in which returns under section 5 may be furnished, the form in which notice for making provisional assessment shall be given, the form in which appeals under the Act may be filed and the procedure that may be followed on application for rectification of mistakes and application for refunds. The matters in respect of which rules will be made are matters of procedure, form or detail.

The delegation of legislative power is, therefore, of a normal character.

LOK SABHA

A

BILL

to impose a special tax on certain companies.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to the Lok Sabha, the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(Shri Morarji R. Desai,
Minister of Finance.)

AS INTRODUCED IN LOK SABHA

Bill No. 19 of 1963

THE APPROPRIATION (No. 2) BILL, 1963

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1963-64.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. **Short title.**—This Act may be called the Appropriation (No. 2) Act, 1963.

2. **Issue of Rs. 94,40,37,22,000 out of the Consolidated Fund of India for the year 1963-64.**—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1963 (9 of 1963)] to the sum of nine thousand four hundred and forty crores, thirty-seven lakhs and twenty-two thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64 in respect of the services specified in column 2 of the Schedule.

3. **Appropriation.**—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry . .	76,46,000	..	76,46,000
2	Industries	21,67,89,000	..	21,67,89,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
3	Salt	62,46,000	..	62,46,000
4	Commercial Intelligence and Statistics . . .	94,76,000	..	94,76,000
5	Other Revenue Expenditure of the Ministry of Commerce and Industry .	3,70,87,000	5,000	3,70,92,000
6	Ministry of Community Development and Co-operation . . .	29,32,000	..	29,32,000
7	Community Development Projects, National Extension Service and Co-operation. . . .	3,95,48,000	..	3,95,48,000
8	Ministry of Defence . .	54,13,000	..	54,13,000
9	Defence Services—Effective	7,23,46,65,000	11,00,000	7,23,57,65,000
10	Defence Services—Non-Effective	18,90,00,000	50,000	18,90,50,000
11	Ministry of Economic and Defence Co-ordination	16,81,000	..	16,81,000
12	Supplies and Disposals .	3,21,61,000	..	3,21,61,000
13	Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination . . .	56,89,000	..	56,89,000
14	M nistry of Education . .	44,08,000	..	44,08,000
15	Education . . .	16,85,00,000	..	16,85,00,000
16	Other Revenue Expenditure of the Ministry of Education . . .	2,47,08,000	..	2,47,08,000
17	Tribal Areas . . .	13,69,13,000	..	13,69,13,000
18	Naga Hills—Tuensang Area	6,05,33,000	..	6,05,33,000
19	External Affairs . . .	16,87,80,000	..	16,87,80,000
20	State of Pondicherry . .	3,76,67,000	..	3,76,67,000
21	Dadra and Nagar Haveli Area	14,07,000	..	14,07,000
22	oa, Daman and Diu .	7,07,41,000	..	7,07,41,000
23	Other Revenue Expenditure of the Ministry of External Affairs . .	4,82,71,000	..	4,82,71,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
24	Ministry of Finance	1,87,38,000	..	1,87,38,000
25	Customs	4,17,63,000	50,000	4,18,13,000
26	Union Excise Duties .	10,53,34,000	58,000	10,53,92,000
27	Taxes on Income Including Corporation tax, etc.	6,88,31,000	1,45,000	6,89,76,000
28	Stamps	3,04,54,000	..	3,04,54,000
29	Audit	13,11,09,000	22,19,000	13,33,28,000
30	Currency and Coinage .	9,31,16,000	..	9,31,16,000
31	Mint	2,52,52,000	..	2,52,52,000
32	Kolar Gold Mines . .	5,58,14,000	..	5,58,14,000
33	Pensions and Other Retirement Benefits .	5,32,48,000	1,30,000	5,48,78,000
34	Territorial and Political Pensions . . .	22,92,000	..	22,92,000
35	Opium	3,02,33,000	..	3,02,33,000
36	Other Revenue Expenditure of the Ministry of Finance . . .	88,23,67,000	..	88,23,67,000
37	Planning Commission .	95,23,000	..	95,23,000
38	Grants-in-aid to States .	1,53,37,13,000	68,43,00,000	2,21,80,13,000
39	Miscellaneous Adjustments between the Central and State Governments	25,08,000	..	25,08,000
40	Pre-partition Payments .	9,53,000	12,64,000	22,17,000
	CHARGED.—*Interest on Debt and Other Obligations and Reduction or Avoidance of Debt* .	..	2,80,24,05,000	2,80,24,05,000
	CHARGED.—*Payments of State's Share of Union Excise Duties* . .	..	1,28,06,99,000	1,28,06,99,000
41	Ministry of Food and Agriculture . . .	82,36,000	..	82,36,000
42	Agriculture . .	3,19,82,000	..	3,19,82,000
43	Agricultural Research .	5,17,20,000	..	5,17,20,000
44	Animal Husbandry .	96,77,000	..	96,77,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
45	Forest	1,06,52,000	..	1,06,52,000
46	Other Revenue Expenditure of the Ministry of Food and Agriculture .	31,79,59,000	*11,64,000*	31,91,23,000
47	Ministry of Health .	19,34,000	..	19,34,000
48	Medical and Public Health .	10,25,14,000	..	10,25,14,000
49	Other Revenue Expenditure of the Ministry of Health . . .	67,43,000	..	67,43,000
50	Ministry of Home Affairs .	4,44,09,000	..	4,44,09,000
51	Cabinet	45,48,000	..	45,48,000
52	Zonal Councils . .	2,42,000	..	2,42,000
53	Administration of Justice	3,02,000	*20,88,000*	23,90,000
54	Police	16,16,09,000	..	16,16,09,000
55	Census	93,50,000	..	93,50,000
56	Statistics	1,90,71,000	..	1,90,71,000
57	Privy Purses and Allowances of Indian Rulers . .	5,36,000	*5,08,03,000*	5,13,39,000
58	Delhi	18,78,29,000	*35,000*	18,78,64,000
59	Himachal Pradesh . .	11,04,51,000	..	11,04,51,000
60	Andaman and Nicobar Islands	2,95,34,000	..	2,95,34,000
61	Manipur	4,52,14,000	..	4,52,14,000
62	Tripura	8,29,95,000	..	8,29,95,000
63	Laccadive, Minicoy and Amindivi Islands . . .	27,45,000	..	27,45,000
64	Other Revenue Expenditure of the Ministry of Home Affairs	3,14,82,000	..	3,14,82,000
65	Ministry of Information and Broadcasting . . .	17,58,000	..	17,58,000
66	Broadcasting . . .	5,61,88,000	..	5,61,88,000
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting .	3,96,62,000	..	3,96,62,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
68	Ministry of Irrigation and Power	27,21,000	..	27,21,000
69	Multi-purpose River Schemes	1,19,13,000	..	1,19,13,000
70	Other Revenue Expenditure of the Ministry of Irrigation and Power . . .	5,47,32,000	..	5,47,32,000
71	Ministry of Labour and Employment . . .	27,10,000	..	27,10,000
72	Chief Inspector of Mines .	27,99,000	..	27,99,000
73	Labour and Employment .	8,23,16,000	..	8,23,16,000
74	Other Revenue Expenditure of the Ministry of Labour and Employment . .	2,05,88,000	..	2,05,88,000
75	Ministry of Law . .	40,64,000	..	40,64,000
76	Elections	1,39,19,000	..	1,39,19,000
77	Other Revenue Expenditure of the Ministry of Law .	4,30,000	..	4,30,000
78	Ministry of Mines and Fuel	24,85,000	..	24,85,000
79	Geological Survey . .	4,15,42,000	..	4,15,42,000
80	Other Revenue Expenditure of the Ministry of Mines and Fuel . . .	12,24,49,000	..	12,24,49,000
81	Ministry of Scientific Research and Cultural Affairs .	37,38,000	..	37,38,000
82	Archaeology . . .	1,10,90,000	..	1,10,90,000
	Survey of India . .	3,61,28,000	..	3,61,28,000
84	Botanical Survey . .	27,81,000	..	27,81,000
85	Zoological Survey . .	19,85,000	..	19,85,000
86	Scientific Research and Cultural Affairs . . .	17,57,63,000	..	17,57,63,000
87	Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs	56,65,000	..	56,65,000
88	Ministry of Steel and Heavy Industries . . .	31,21,000	..	31,21,000
89	Other Revenue Expenditure of the Ministry of Steel and Heavy Industries . .	30,91,24,000	..	30,91,24,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
90	Ministry of Transport and Communications . .	1,02,25,000	..	1,02,25,000
91	Meteorology . . .	2,11,35,000	..	2,11,35,000
92	Central Road Fund .	4,35,00,000	..	4,35,00,000
93	Communications (including National Highways) .	7,37,93,000	..	7,37,93,000
94	Mercantile Marine .	99,57,000	..	99,57,000
95	Lighthouses and Lightships	1,10,41,000	..	1,10,41,000
96	Aviation	5,51,38,000	..	5,51,38,000
97	Overseas Communications Service	1,39,94,000	..	1,39,94,000
98	Other Revenue Expenditure of the Ministry of Transport and Communications .	3,28,83,000	..	3,28,83,000
99	Indian Posts and Telegraphs Department (including Working Expenses) .	95,66,55,000	*60,000*	95,67,15,000
100	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds . .	19,97,20,000	..	19,97,20,000
101	Ministry of Works, Housing and Rehabilitation . .	89,59,000	..	89,59,000
102	Public Works . . .	34,50,50,000	*32,20,000*	34,82,70,000
103	Stationery and Printing .	9,74,20,000	..	9,74,20,000
104	Expenditure on Displaced persons . . .	8,39,84,000	*85,000*	8,40,69,000
105	Other Revenue Expenditure of the Ministry of Works Housing and Rehabilitation	77,54,000	..	77,54,000
106	Department of Atomic Energy	15,73,000	..	15,73,000
107	Atomic Energy Research .	8,50,02,000	..	8,50,02,000
108	Department of Parliamentary Affairs	3,17,000	..	3,17,000
109	Lok Sabha . . .	96,20,000	*66,000*	96,86,000
110	Other Revenue Expenditure of Lok Sabha . .	42,000	..	42,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
111	Rajya Sabha . . .	43,02,000	67,000	43,69,000
	CHARGED.—*Staff, household and Allowances of the President* . .	..	27,13,000	27,13,000
112	Secretariat of the Vice-President	1,23,000	..	1,23,000
	CHARGED.—*Union Public Service Commission* . .	..	49,15,000	49,15,000
113	Capital Outlay of the Ministry of Commerce and Industry	11,56,77,000	..	11,56,77,000
114	Capital Outlay of the Ministry of Community Development and Co-ordination	31,99,000	..	31,99,000
115	Defence Capital Outlay .	1,58,77,00,000	15,00,000	1,58,92,00,000
116	Capital Outlay of the Ministry of Economic and Defence Co-ordination .	1,00,000	..	1,00,000
117	Capital Outlay of the Ministry of Education . . .	1,59,000	..	1,59,000
118	Capital Outlay of the Ministry of External Affairs .	1,23,00,000	..	1,23,00,000
119	Capital Outlay on the India Security Press . . .	18,58,000	..	18,58,000
120	Capital Outlay on Currency and Coinage . . .	14,34,79,000	..	14,34,79,000
121	Capital Outlay on Mints .	18,52,000	..	18,52,000
122	Capital Outlay on Kolar Gold Mines	3,59,32,000	..	3,59,32,000
123	Commuted Value of Pensions	1,05,90,000	1,22,000	1,07,12,000
124	Other Capital Outlay of the Ministry of Finance .	64,36,59,000	..	64,36,59,000
125	Capital Outlay on Grants to States for Development .	24,57,83,000	..	24,57,83,000
126	Loans and Advances by the Central Government .	1,74,53,99,000	5,41,08,25,000	7,15,62,24,000
	CHARGED.—*Repayment of Debt*	..	56,41,89,94,000	56,41,89,94,000
127	Capital Outlay on Forests .	9,93,000	..	9,93,000
128	Purchase of Foodgrains .	2,57,30,36,000	1,00,000	2,57,31,36,000
129	Other Capital Outlay of the Ministry of Food and Agriculture	65,75,43,000	10,000	65,75,53,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
130	Capital Outlay of the Ministry of Health . . .	9,29,51,000	..	9,29,51,000
131	Capital Outlay of the Ministry of Home Affairs . .	73,35,000	..	73,35,000
132	Capital Outlay of the Ministry of Information and Broadcasting	2,97,55,000	..	2,97,55,000
133	Capital Outlay on Multi-purpose River Schemes .	10,28,65,000	..	10,28,65,000
134	Other Capital Outlay of the Ministry of Irrigation and Power	18,18,53,000	..	18,18,53,000
135	Capital Outlay of the Ministry of Labour and Employment	85,000	..	85,000
136	Capital Outlay of the Ministry of Mines and Fuel . .	52,43,80,000	..	52,43,80,000
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs . .	3,07,45,000	..	3,07,45,000
138	Capital Outlay of the Ministry of Steel and Heavy Industries	1,42,94,86,000	..	1,42,94,86,000
139	Capital Outlay on Roads .	62,31,21,000	..	62,31,21,000
140	Capital Outlay on Ports .	7,02,40,000	..	7,02,40,000
141	Capital Outlay on Civil Aviation	3,65,70,000	25,000	3,65,95,000
142	Other Capital Outlay of the Ministry of Transport and Communications . .	7,26,19,000	..	7,26,19,000
143	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue) .	38,71,61,000	..	38,71,61,000
144	Capital Outlay on Public Works	7,94,00,000	6,00,000	8,00,00,000
145	Delhi Capital Outlay .	7,88,00,000	12,00,000	8,00,00,000
146	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation .	9,08,29,000	10,000	9,08,39,000
147	Capital Outlay of the Department of Atomic Energy .	16,46,40,000	..	16,46,40,000
	GRAND TOTAL . .	27,73,11,95,000	66,67,25,27,000	94,40,37,22,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made by the Lok Sabha for expenditure of the Central Government excluding Railways, for the financial year 1963-64.

MORARJI DESAI,

LOK SABHA

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1963-64.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(Shri Morarji Desai,
Minister of Finance.)

MINISTRY OF LAW

(Legislative Department)

New Delhi, the 27th April, 1963/Vaisakha 7, 1885 (Saka)

The following Act of Parliament received the assent of the President on the 27th April, 1963 and is hereby published for general information:

THE APPROPRIATION (No. 2) ACT, 1963

No. 12 OF 1963

[*27th April*, 1963]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1963-64.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. **Short title.**—This Act may be called the Appropriation (No. 2) Act, 1963.

2. **Issue of Rs. 94,40,37,22,000 out of the Consolidated Fund of India for the year 1963-64.**—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1963 (9 of 1963)] to the sum of nine thousand four hundred and forty crores, thirty-seven lakhs and twenty-two thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64 in respect of the services specified in column 2 of the Schedule

Appropriation.—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry . . .	76,46,000	..	76,46,000
2	Industries . . .	21,67,89,000	..	21,67,89,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
3	Salt	62,46,000	..	62,46,000
4	Commercial Intelligence and Statistics . . .	94,76,000	..	94,76,000
5	Other Revenue Expenditure of the Ministry of Commerce and Industry .	3,70,87,000	*5,000*	3,70,92,000
6	Ministry of Community Development and Co-operation	29,32,000	..	29,32,000
7	Community Development Projects, National Extension Service and Co-operation .	3,95,48,000	..	3,95,48,000
8	Ministry of Defence . .	54,13,000	..	54,13,000
9	Defence Services—Effective.	7,23,46,65,000	*11,00,000*	7,23,57,65,000
10	Defence Services—Non-Effective . . .	18,90,00,000	*50,000*	18,90,50,000
11	Ministry of Economic and Defence Co-ordination .	16,81,000	..	16,81,000
12	Supplies and Disposals .	3,21,61,000	..	3,21,61,000
13	Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination	56,89,000	..	56,89,000
14	Ministry of Education .	44,08,000	..	44,08,000
15	Education . . .	16,85,00,000	..	16,85,00,000
16	Other Revenue Expenditure of the Ministry of Education.	2,47,08,000	..	2,47,08,000
17	Tribal Areas . . .	13,69,13,000	..	13,69,13,000
18	Naga Hills-Tuensang Area	6,05,33,000	..	6,05,33,000
19	External Affairs .	16,87,80,000	..	16,87,80,000
20	State of Pondicherry . .	3,76,67,000	..	3,76,67,000
21	Dadra and Nagar Haveli Area	14,07,000	..	14,07,000
22	Goa, Daman and Diu . .	7,07,41,000	..	7,07,41,000
23	Other Revenue Expenditure of the Ministry of External Affairs . .	4,82,71,000	..	4,82,71,000

1	2	3		
. te	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
24	Ministry of Finance	1,87,38,000	..	1,87,38,000
25	Customs	4,17,63,000	50,000	4,18,13,000
26	Union Excise Duties	10,53,34,000	58,000	10,53,92,000
27	Taxes on Income Including Corporation tax, etc.	6,88,31,000	1,45,000	6,89,76,000
28	Stamps	3,04,54,000	..	3,04,54,000
29	Audit	13,11,09,000	22,19,000	13,33,28,000
30	Currency and Coinage	9,31,16,000	..	9,31,16,000
31	Mint	2,52,52,000	..	2,52,52,000
32	Kolar Gold Mines	5,58,14,000	..	5,58,14,000
33	Pensions and Other Retirement Benefits	5,32,48,000	16,30,000	5,48,78,000
34	Territorial and Political Pensions	22,92,000	..	22,92,000
35	Opium	3,02,33,000	..	3,02,33,000
36	Other Revenue Expenditure of the Ministry of Finance	88,23,67,000	..	88,23,67,000
37	Planning Commission	95,23,000	..	95,23,000
38	Grants-in-aid to States	1,53,37,13,000	68,43,00,000	2,21,80,13,000
39	Miscellaneous Adjustments between the Central and State Governments	25,08,000	..	25,08,000
40	Pre-partition Payments	9,53,000	12,64,000	22,17,000
	CHARGED.—*Interest on Debt and Other Obligations and Reduction or Avoidance of Debt*	..	2,80,24,05,000	2,80,24,05,000
	CHARGED.—*Payments of States' Share of Union Excise Duties*	..	1,28,06,99,000	1,28,06,99,000
41	Ministry of Food and Agriculture	82,36,000	..	82,36,000
42	Agriculture	3,19,82,000	..	3,19,82,000
43	Agricultural Research	5,17,20,000	..	5,17,20,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
44	Animal Husbandry . .	96,77,000	..	96,77,000
45	Forest	1,06,52,000	..	1,06,52,000
46	Other Revenue Expenditure of the Ministry of Food and Agriculture .	31,79,59,000	*11,64,000*	31,91,23,000
47	Ministry of Health . .	19,34,000	..	19,34,000
48	Medical and Public Health .	10,25,14,000	..	10,25,14,000
49	Other Revenue Expenditure of the Ministry of Health	67,43,000	..	67,43,000
50	Ministry of Home Affairs .	4,44,09,000	..	4,44,09,000
51	Cabinet	45,48,000	..	45,48,000
52	Zonal Councils . . .	2,42,000	..	2,42,000
53	Administration of Justice .	3,02,000	*20,88,000*	*23,93,000*
54	Police	16,16,09,000	..	16,16,09,000
55	Census	93,50,000	..	93,50,000
56	Statistics	1,90,71,000	..	1,90,71,000
57	Privy Purses and Allowances of Indian Rulers . .	5,36,000	*5,08,03,000*	5,13,39,000
58	Delhi	18,78,29,000	*35,000*	18,78,64,000
59	Himachal Pradesh . .	11,04,51,000	..	11,04,51,000
60	Andaman and Nicobar Islands	2,95,34,000	..	2,95,34,000
61	Manipur	4,52,14,000	..	4,52,14,000
62	Tripura	8,29,95,000	..	8,29,95,000
63	Laccadive, Minicoy and Amindivi Islands . .	27,45,000	..	27,45,000
64	Other Revenue Expenditure of the Ministry of Home Affairs . .	3,14,82,000	..	3,14,82,000
65	Ministry of Information and Broadcasting . . .	17,58,000	..	17,58,000
66	Broadcasting . . .	5,61,88,000	..	5,61,88,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting	3,96,62,000	..	3,96,62,000
68	Ministry of Irrigation and Power	27,21,000	..	27,21,000
69	Multi-purpose River Schemes	1,19,13,000	..	1,19,13,000
70	Other Revenue Expenditure of the Ministry of Irrigation and Power . .	5,47,32,000	..	5,47,32,000
71	Ministry of Labour and Employment . . .	27,10,000	..	27,10,000
72	Chief Inspector of Mines .	27,99,000	..	27,99,000
73	Labour and Employment .	8,23,16,000	..	8,23,16,000
74	Other Revenue Expenditure of the Ministry of Labour and Employment	2,05,88,000	..	2,05,88,000
75	Ministry of Law . .	40,64,000	..	40,64,000
76	Elections	1,39,19,000	..	1,39,19,000
77	Other Revenue Expenditure of the Ministry of Law	4,30,000	..	4,30,000
78	Ministry of Mines and Fuel	24,85,000	..	24,85,000
79	Geological Survey . .	4,15,42,000	..	4,15,42,000
80	Other Revenue Expenditure of the Ministry of Mines and Fuel . .	12,24,49,000	..	12,24,49,000
81	Ministry of Scientific Research and Cultural Affairs .	37,38,000	..	37,38,000
82	Archaeology . . .	1,10,90,000	..	1,10,90,000
83	Survey of India . . .	3,61,28,000	..	3,61,28,000
84	Botanical Survey . .	27,81,000	..	27,81,000
85	Zoological Survey . .	19,85,000	..	9,8 000
86	Scientific Research and Cultural Affairs . .	17,57,63,000	..	17,57,63,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
87	Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs . .	56,65,000	..	56,65,000
88	Ministry of Steel and Heavy Industries . . .	31,21,000	..	31,21,000
89	Other Revenue Expenditure of the Ministry of Steel and Heavy Industries .	30,91,24,000	..	30,91,24,000
90	Ministry of Transport and Communications . .	1,02,25,000	..	1,02,25,000
91	Meteorology . . .	2,11,35,000	..	2,11,35,000
92	Central Road Fund . .	4,35,00,000	..	4,35,00,000
93	Communications (including National Highways) .	7,37,93,000	..	7,37,93,000
94	Mercantile Marine . .	99,57,000	..	99,57,000
95	Lighthouses and Lightships .	1,10,41,000	..	1,10,41,000
96	Aviation	5,51,38,000	..	5,51,38,000
97	Overseas Communications Service	1,39,94,000	..	1,39,94,000
9	Other Revenue Expenditure of the Ministry of Transport and Communications .	3,28,83,000	..	3,28,83,000
99	Indian Posts and Telegraphs Department (including Working Expenses) . .	95,66,55,000	60,000	95,67,15,000
100	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds	19,97,20,000	..	19,97,20,000
101	Ministry of Works, Housing and Rehabilitation . .	89,59,000	..	89,59,000
102	Public Works . . .	34,50,50,000	32,20,000	34,82,70,000
103	Stationery and Printing .	9,74,20,000	..	9,74,20,000
104	Expenditure on Displaced persons	8,39,84,000	85,000	8,40,69,000
105	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation . . .	77,54,000	..	77,54,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
106	Department of Atomic Energy	15,73,000	..	15,73,000
107	Atomic Energy Research .	8,50,20,000	..	8,50,02,000
108	Department of Parliamentary Affairs	3,17,000	..	3,17,000
109	Lok Sabha	96,20,000	66,000	96,86,000
110	Other Revenue Expenditure of Lok Sabha . . .	42,000	..	42,000
111	Rajya Sabha . . .	43,02,000	67,000	43,69,000
	Charged—Staff, Household and Allowances of the President . . .	..	27,13,000	27,13,000
112	Secretariat of the Vice-President . . .	1,23,000	..	1,23,000
	CHARGED.—*Union Public Service Commission* . .	..	49,15,000	49,15,000
113	Capital Outlay of the Ministry of Commerce and Industry	11,56,77,000	..	11,56,77,000
114	Capital Outlay of the Ministry of Community Development and Co-operation .	31,99,000	..	31,99,000
115	Defence Capital Outlay .	1,58,77,00,000	15,00,000	1,58,92,00,000
116	Capital Outlay of the Ministry of Economic and Defence Co-ordination . .	1,00,000	..	1,00,000
117	Capital Outlay of the Ministry of Education . . .	1,59,000	..	1,59,000
118	Capital Outlay of the Ministry of External Affairs . .	1,23,00,000	..	1,23,00,000
119	Capital Outlay on the India Security Press .	18,58,0000	..	18,58,0000
120	Capital Outlay on Currency and Coinage . . .	14,34,79,000	..	14,34,79,000
121	Capital Outlay on Mints .	18,52,000	..	18,52,000
122	Capital Outlay on Kolar Gold Mines . . .	3,59,32,000	..	3,59,32,000
123	Commuted Value of Pensions	1,05,90,000	1,22,000	1,07,12,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
124	Other Capital Outlay of the Ministry of Finance . .	64,36,59,000	..	64,36,59,000
125	Capital Outlay on Grants to States for Development .	24,57,83,000	..	24,57,83,000
126	Loans and Advances by the Central Government .	1,74,53,99,000	5,41,08,25,000	7,15,62,24,000
	CHARGED.—*Repayment of Debt*	...	56,41,89,94,000	56,41,89,94,000
127	Capital Outlay on Forests .	9,93,000	..	9,93,000
128	Purchase of Foodgrains .	2,57,30,36,000	1,00,000	2,57,31,36,000
129	Other Capital Outlay of the Ministry of Food and Agriculture . . .	65,75,43,000	10,000	65,75,53,000
130	Capital Outlay of the Ministry of Health . . .	9,29,51,000	..	9,29,51,000
131	Capital Outlay of the Ministry of Home Affairs . .	73,35,000	..	73,35,000
132	Capital Outlay of the Ministry of Information and Broadcasting . . .	2,97,55,000	..	2,97,55,000
133	Capital Outlay on Multi-purpose River Schemes .	10,28,65,000	..	10,28,65,000
134	Other Capital Outlay of the Ministry of Irrigation and Power	18,18,53,000	..	18,18,53,000
135	Capital Outlay of the Ministry of Labour and Employment	85,000	..	85,000
136	Capital Outlay of the Ministry of Mines and Fuel . .	52,43,80,000	..	52,43,80,000
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs. .	3,07,45,000	..	3,07,45,000
138	Capital Outlay of the Ministry of Steel and Heavy Industries	1,42,94,86,000	..	1,42,94,86,000
139	Capital Outlay on Roads. .	62,31,21,000	..	62,31,21,000
140	Capital Outlay on Ports .	7,02,40,000	..	7,02,40,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
141	Capital Outlay on Civil Aviation	3,65,70,000	*25,000*	3,65,95,000
142	Other Capital Outlay of the Ministry of Transport and Communications . .	7,26,19,000	..	7,26,19,000
143	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue) . .	38,71,61,000	..	38,71,61,000
144	Capital Outlay on Public Works	7,94,00,000	*6,00,000*	8,00,00,000
145	Delhi Capital Outlay . .	7,88,00,000	*12,00,000*	8,00,00,000
146	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation . .	9,08,29,000	*10,000*	9,08,39,000
147	Capital Outlay of the Department of Atomic Energy .	16,46,40,000	..	16,46,40,000
	GRAND TOTAL . . .	27,73,11,95,000	*66,67,25,27,000*	94,40,37,22,000

R. C. S. SARKAR,
Secy. to the Govt. of India.

MINISTRY OF LAW

(Legislative Department)

New Delhi, the 29th April, 1963/*Vaisakha* 9, 1885 (*Saka*)

The following Act of Parliament received the assent of the President on the 28th April, 1963 and is hereby published for general information:—

THE FINANCE ACT, 1963

No. 13 OF 1963

[28*th April,* 1963]

An Act to give effect to the financial proposals of the Central Government for the financial year 1963-64.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Finance Act, 1963.

(2) Save as otherwise provided in this Act, sections 3, 6, 7, 9, 11, 12, 13, and 21 shall be deemed to have come into force on the 1st day of April, 1963.

2. **Income-tax and super-tax.**—(1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1963,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule and,—

(i) in the cases to which Paragraphs A, B, C and E of that Part apply, shall be increased by a surcharge for purposes of the Union and, except in the cases to which the said Paragraph E applies, a special surcharge, calculated in either case in the manner provided therein; and

(ii) in the cases to which Paragraphs A and C of the aforesaid Part apply, shall further be increased by an additional surcharge for purposes of the Union (hereinafter referred to as additional surcharge) calculated in the manner provided in the said Schedule;

(b) super-tax shall, for the purposes of section 95 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge, calculated in either case in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1963,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the

income-tax, payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962 (20 of 1962), on his total income the same proportion as the amount of such inclusion bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (1) of section 192 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962 (20 of 1962), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1963, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (21 of 1956), includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with Paragraph E of Part II of the First Schedule; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) (a) In cases to which Chapter XII of the Income-tax Act applies, the tax chargeable shall be determined as provided in that Chapter, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(b) In computing under section 209 of the Income-tax Act, the advance tax payable by an assessee, the additional surcharge shall be included.

(c) The amount of income-tax to be deducted at source under sub-section (1) of section 192 of the Income-tax Act from income chargeable under the head "Salaries" shall include an additional surcharge equal in amount to the additional surcharge which would have been leviable if the estimated income under that head had been the total income.

(5) In respect of any assessment for the assessment year commencing on the 1st day of April, 1963—

(i) an assessee being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax and super-tax with which he is chargeable of an amount equal to the income-tax and super-tax calculated respectively at one-tenth of the average rate of

income-tax and the average rate of super-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in clause (i) is engaged in the manufacture of any articles in an industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), exports after the 28th day of February, 1963, such articles out of India, he shall be entitled, in addition to the deduction of tax referred to in clause (i), to a further deduction from the amount of tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on an amount equal to two per cent. of the sale proceeds in respect of such export;

(iii) where an assessee of the type referred to in clause (i) engaged in the manufacture of any articles in an industry specified in the said First Schedule sells after the 28th day of February, 1963, such articles to any other person in India who himself exports them out of India and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on a sum equal to two per cent. of the sale proceeds receivable by him in respect of such articles from the exporter;

(iv) the total of the deductions under this sub-section shall in no case exceed the amount of income-tax and super-tax otherwise payable by the assessee;

(v) nothing contained in clauses (ii) and (iii) shall apply in relation to fuels, textiles (including those dyed, printed or otherwise processed), sugar, vegetable oils and vanaspathi, cement and gypsum products and cigarettes respectively specified in items 2, 23, 25, 28, 35 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), and in relation to such other articles in any other industry specified in that Schedule which may be notified in the Official Gazette by the Central Government having regard to the progress achieved by the industry or any other relevant factors;

(vi) the amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax and super-tax is admissible under clause (i) shall be computed in accordance with the rules made by the Central Board of Revenue in this behalf.

(6) In cases in which tax has to be deducted under sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part III of the First Schedule.

(7) For the purposes of this section, and of the rates of tax imposed thereby, and of section 3—

(i) the expressions "assessment year", 'average rate of income-tax', "average rate of super-tax", "partner", "tax" and "total income" have the meanings respectively assigned to them under clauses (9), (10), (11), (23), (43) and (45) of section 2 of the Income-tax Act;

(ii) the expression "earned income" has the same meaning as in section 2 of the Finance (No. 2) Act, 1962 (20 of 1962).

(8) For the purposes of Paragraphs A and C of Part I of the First Schedule, the expression "residual income" means the amount of the total income as reduced by—

(a) the amount of the capital gains, if any, included therein; and

(b) the amount of tax (exclusive of additional surcharge) which would have been chargeable on such reduced total income if it had been the total income no part of which had been exempt from tax and on no portion of which deduction of tax had been admissible under any provisions of the Income-tax Act or this Act.

3. **Additional surcharge not to be taken into account for purposes of deduction, etc.**—Notwithstanding anything contained in the provisions of Chapter VII or Chapter VIII-A or section 110 of the Income-tax Act or sub-section (5) of section 2 of this Act, in calculating any relief, rebate or deduction in respect of income-tax payable on the total income of an assessee which includes any income on which no income-tax is payable or in respect of which a deduction of income-tax is admissible under any of the aforesaid provisions, no account shall be taken of the additional surcharge.

4. **Amendment of section 2.**—In section 2 of the Income-tax Act, for clause (44), the following clause shall be and shall be deemed always to have been, substituted, namely:—

"(44) 'Tax Recovery Officer' means—

(i) a Collector or an additional Collector;

(ii) any such officer empowered to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State as may be authorised by the State Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer;

(iii) any Gazetted Officer of the Central or a State Government who may be authorised by the Central Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer;"

5. **Amendment of section 13.**—In section 13 of the Income-tax Act, in clause (b), for the words "trust or charitable institution", the words "trust for charitable purposes or a charitable institution" shall be, and shall be deemed always to have been, substituted.

6. **Amendment of section 40.**—In section 40 of the Income-tax Act, in clause (c),—

(1) before the *Explanation*, the following sub-clause shall be inserted, namely:—

"(iii) any expenditure which results directly or indirectly in the provision of any remuneration or benefit or amenity to an employee who is a citizen of India, to the extent such expenditure exceeds the amount calculated at the rate of five thousand rupees per month for any period of his employment after the 28th day of February, 1963:

Provided that in computing the aforesaid expenditure, any payments by way of gratuity or any sums comprised in the transferred

balance of an employee participating in a recognised provident fund referred to in clause (vii) of sub-section (1) of section 17, or the amount of any compensation referred to in clause (i) or any payment referred to in clause (ii) of sub-section (3) of that section shall not be taken into account."

(2) In the *Explanation* after the words, brackets and figure "referred to in sub-clause (i)", the words, brackets and figures "or in sub-clause (iii)" shall be inserted.

7. **Amendment of section 58.**—In section 58 of the Income-tax Act, in clause (b), after the words, brackets and figure "referred to in sub-clause (i)" the words, brackets and figures "or in sub-clause (iii)" shall be inserted.

8. **Amendment of section 139.**—In section 139 of the Income-tax Act,—

(1) in sub-section (1), in clause (iii) (b) of the proviso, the words "as finally assessed" shall be, and shall be deemed always to have been, omitted;

(2) after sub-section (1), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

"(1A) Where as a result of an order under section 154 or section 155 or section 250 or section 254 or section 260 or section 262 or section 264, the amount of tax on which interest was payable under clause (iii) of the proviso to sub-section (1) has been reduced, the interest shall be reduced accordingly, and the excess interest paid, if any, shall be refunded.";

(3) after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) Notwithstanding anything contained in clause (iii) of the proviso to sub-section (1), the Income-tax Officer may, in such cases and under such circumstances as may be prescribed, reduce or waive the interest payable by any person under any provision of this section."

9. **Insertion of new section 141A.**—After section 141 of the Income-tax Act, the following section shall be inserted, namely:—

Relief to be given to, and interest to be recovered from, assessees in certain cases.—"141A. (1) If any assessee having furnished a return under section 139 before the 1st day of January of the assessment year, pays before that date the tax determined as payable by him in pursuance of a provisional assessment made under section 141 or a regular assessment made under section 143 or section 144, or where neither of such assessments has been made before that date, the tax payable by him on the basis of such return after taking into consideration the tax paid for the assessment year under the provisions of Chapter XVII-B or Chapter XVII-C, he shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable of an amount equal to one per cent. of the amount of tax so paid by him before the said date.

(2) If any assessee does not furnish a return under section 139 before the 1st day of January of the assessment year and no regular assessment under section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he

is chargeable, be liable to pay an amount calculated at two per cent. per annum from the said 1st day of January to—

(i) in the case where no return is furnished, the date on which a regular assessment is made under section 144;

(ii) in the case where a return is filed after the said 1st day of January, the date on which a provisional assessment under setion 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made;

the calculation in the case referred to in clause (i) being made with reference to the tax payable on regular assessment under section 144 and in the case referred to in clause (ii) being made with reference to the tax payable on the basis of the return, and in either case after taking into consideration the tax already paid under the provisions of Chapter XVII-B or Chapter XVII-C.

(3) If any assessee having furnished a return under section 139 before the 1st day of January of the assessment year does not pay before that date the tax payable on the basis of such return after taking into consideration the tax already paid for the assessment year under the provisions of Chapter XVII-B or Chapter XVII-C and no provisional assessment under section 141 or regular assessment under section 143 or section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he is chargeable, be liable to pay an amount calculated at two per cent. per annum from the said 1st day of January to the date on which a provisional assessment under section 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made, the calculation being made with reference to the tax payable on the basis of the return after taking into consideration the tax already paid under the provisions of the aforesaid Chapters.

(4) Any sum paid by an assessee in accordance with the provisions of sub-section (1) otherwise than in pursuance of a provisional assessment made under section 141 or a regular assessment under section 143 or section 144, shall be treated as a payment of tax in respect of the relevant assessment year, and credit therefor shall be given to the assessee in the regular assessment."

10. **Amendment of section 146.**—In section 146 of the Income-tax Act, for the words and figures "in accordance with the provisions of section 143 or 144", the words and figures "in accordance with the provisions of section 143 or section 144" shall be substituted.

11. **Amendment of section 209.**—In section 209 of the Income-tax Act, after clause (c) and before the *Explanation*, the following clause shall be inserted, namely:—

"(d) in cases where the Income-tax Officer makes an amended order referred to in sub-section (3) of section 210 on the basis of a provisional assessment, the total income on the basis of which the relevant provisional assessment had been made shall be substituted for the total income referred to in clause (a).".

12. **Amendment of section 210.**—In section 210 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) If, after the making of an order by the Income-tax Officer under this section and before the 15th day of February of the financial

year, a regular assessment or a provisional assessment under section 141 of the assessee (or of the registered firm of which he is a partner) is made in respect of a previous year later than that referred to in the order of the Income-tax Officer, the Income-tax Officer may make an amended order requiring the assessee to pay in one instalment on the specified date, or in equal instalments on the specified dates, if more than one, falling after the date of the amended order, the advance tax computed on the basis of the total income determined for the purposes of the regular assessment or the provisional assessment aforesaid as reduced by the amount, if any, paid in accordance with the original order.".

13. **Amendment of section 215.**—In section 215 of the Income-tax Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where before the date of completion of a regular assessment, a provisional assessment is made under section 141 or tax is paid by the assessee otherwise than in pursuance of such a provisional assessment—

(i) interest shall be calculated in accordance with the foregoing provision up to the date on which the tax is paid either as provisionally assessed or otherwise; and

(ii) thereafter interest shall be calculated at the rate aforesaid on the amount by which the tax as so paid (in so far as it relates to income subject to advance tax) falls short of the said seventy-five per cent.".

14. **Amendment of section 220.**—In section 220 of the Income-tax Act, to sub-section (2), the following proviso shall be, and shall be deemed always to have been, added, namely:—

"Provided that, where as a result of an order under section 154, or section 155, or section 250, or section 254, or section 260, or section 262, or section 264, the amount on which interest was payable under this section had been reduced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded.".

15. **Amendment of section 223.**—In section 223 of the Income-tax Act, in sub-section (2), the words "in a district" shall be, and shall be deemed always to have been, omitted.

16. **Amendment of section 233.**—In section 233 of the Income-tax Act, for the words and figures "assessment made under section 143 or 144", the words and figures "assessment made under section 143 or section 144" shall be substituted.

17. **Amendment of section 271.**—In section 271 of the Income-tax Act, in sub-section (1), in clause (a), the word "his" occurring before the words "total income" shall be omitted.

18. **Amendment of section 291.**—In section 291 of the Income-tax Act, in sub-section (1), after the words "the evasion of payment of tax on income", the words "it is necessary or expedient so to do" shall be inserted.

19. **Amendment of section 297.**—In section 297 of the Income-tax Act, in sub-section (2), in clause (e), before the words, figures and letter "section 23A of the repealed Act", the words, brackets and letters "subject to the

provisions of clause (g) and clause (j) of this sub-section" shall be, and shall be deemed always to have been, inserted.

20. **Amendment of the Second Schedule.**—In the Second Schedule to the Income-tax Act,—

(1) in Part I, after rule 19, the following rule shall be, and shall be deemed always to have been, inserted, namely:—

Entrustment of certain functions by Collector or additional Collector.—"19A. A Tax Recovery Officer, being a Collector or an additional Collector, may, subject to the approval of the State Government, entrust any of his functions as Tax Recovery Officer to any other officer lower than him in rank who is empowered to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State and such officer shall, in relation to functions so entrusted to him, be deemed to be a Tax Recovery Officer."

(2) in rule 86, for sub-rule (1), the following sub-rule shall be, and shall be deemed always to have been, substituted, namely:—

"(1) An appeal from any original order passed by the Tax Recovery Officer under this Schedule, not being an order which is conclusive, shall lie—

(a) in the case of a Tax Recovery Officer, being a Collector or an additional Collector or an officer referred to in sub-clause (iii) of clause (44) of section 2, to the revenue authority to which appeals ordinarily lie against the orders of a Collector under the law relating to land revenue of the State concerned; and

(b) in any other case, to the revenue authority to which an appeal or an application for revision would ordinarily lie, if the order passed by him were the order under the law relating to land revenue or other public demand for the time being in force in the State concerned.".

21. **Amendment of Act 27 of 1957.**—In section 5 of the Wealth-tax Act, 1957,—

(1) in sub-section (1)—

(a) clause (xv) shall be omitted;

(b) in clause (xvi), for the words "twelve year national plan savings certificates held by the assessee", the words "twelve year national plan savings certificates, ten year defence deposit certificates and twelve year national defence certificates held by the assessee, to the extent to which the amount of such certificates or deposits do not exceed in each case the maximum amount permitted to be invested or deposited therein" shall be substituted;

(2) to sub-section (3), the following proviso shall be added, namely:—

"Provided that for the purpose of making any assessment for the financial year commencing on the 1st day of April, 1963, the provisions of clause (b) shall not apply to ten year defence deposit certificates and twelve year national defence certificates held by the assessee on the relevant valuation date.".

22. **Amendment of Act 32 of 1934.**—In the Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act),—

(1) in section 2A,—

(i) in sub-section (1),—

(a) after the words "manufactured in India" occurring before the *Explanation*, the following shall be inserted, namely:—

"and if such excise duty on a like article is leviable at any percentage of its value, the customs duty to which the imported article shall be so liable shall be calculated at that percentage of the value of the imported article.";

(b) in the *Explanation*, for the words, "In this sub-section", the words, brackets, figure and letter "In this sub-section and sub-section (1A)" shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) For th purpose of calculating under this section the customs duty on any imported article equal to the excise duty for the time being leviable on a like article, if produced or manufactured in India, where such excise duty is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962 (52 of 1962), be the aggregate of—

(i) the value of the imported article determined under sub-section (1) of the said section 14 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be;

(ii) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962 (52 of 1962) other than the duty referred to in sub-section (1); and

(iii) any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs.";

(2) the First Schedule shall be amended in the manner specified in the Second Schedule to this Act.

23. **Surcharge on duties of customs.**—(1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 10 per cent. of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 24 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897)

shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

24. **Regulatory duty of customs.**—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs which shall be—

(a) twenty-five per cent. of the rate, if any, specified in the said First Schedule read with any notification issued under section 3A or sub-section (1) of section 4 of the Tariff Act; or

(b) ten per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (52 of 1962).

whichever is higher:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act,

(3) The duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962 (52 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

25. **Amendment of Act 1 of 1949.**—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1963", the figures "1964" shall be substituted.

26. **Amendment of Act of 1944.**—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(a) in Item No. 4,—

(1) under "I. *Unmanufactured tobacco*—"—

for the entry in the third column against sub-item (5), the entry "One rupee and sixty naye paise" shall be substituted;

(2) under "II. *Manufactured tobacco*—"—

for the entries in the third column against sub-items (2) (i), (2) (ii), (2) (iii), (2) (iv) and (2) (v), the entries "Thirty-four rupees", "Seventeen rupees", "Eight rupees and fifty

naye paise", "Four rupees and twenty naye paise" and "Two rupees" shall, respectively, be substituted;

(b) in Item No. 6, for the entry in the third column, the entry "Four hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(c) in Item No. 7, for the entry in the third column, the entry "Two hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(d) in Item No. 8, for the entries in the third column against sub-items (a) and (b), the entries "Three hundred and seventy rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall, respectively, be substituted;

(e) in Item No. 9, for the entry in the third column, the entry "One hundred and ninety-five rupees per metric tonne" shall be substituted;

(f) in Item No. 13, for the entry in the third column, the entry "Thirty-two rupees per quintal" shall be substituted;

(g) in Item No. 14,—

(1) in sub-item I (4) (ii), the words "and ready mixed paints, sold by weight" occurring in the second column shall be omitted;

(2) in sub-item I(4) (iii), the words "sold by volume" occurring in the second column shall be omitted;

(3) for the entries in the third column against sub-items I (1) (ii), I(3) (ii), I (3) (iv), I(4) (i), I(4) (ii), I(4) (iii), II(i) and III(i), the entries "Seventy-five naye paise per kilogram", "Thirty rupees and fifty naye paise per quintal", "One rupee and five naye paise per litre", "Seventy-five naye paise per kilogram", "Ninteen rupees and fifty naye paise per quintal", "Sixty-five naye paise per litre", "Thirty-five naye paise per litre" and "One rupee and fifty naye paise per litre" shall, respectively, be substituted;

(h) in Item No. 15, for the entries in the third column against sub-items I(1) (i), I(1) (ii), I(2), I(3), II(i) and II(ii), the entries "Fifteen rupees and fifty naye paise per quintal", "Eighteen rupees per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirteen rupees and twenty-five naye paise per quintal" and "Fifteen rupees and fifty naye paise per quintal" shall, respectively, be substituted;

(i) in Item No. 17, for the entry in the third column against sub-item (5), the entry "Thirty-five naye paise per kilogram" shall be substituted;

(j) in Item No. 26A, for the entries in the third column against sub-items (1) and (2), the entries "Three hundred rupees per metric tonne" and "Five hundred rupees per metric tonne" shall, respectively, be substituted;

(k) in Item No. 26AA, sub-item (i) shall be renumbered as (ia) thereof and before the sub-item (ia) as so renumbered, the following sub-item shall be inserted, namely:—

"Semi-finished steel including blooms, billets, slabs, sheet bars, tin bars and hoe bars.	Thirty rupees per metric tonne plus the excise duty for the time being leviable on steel ingots."

27. **Special duty of excise on certain goods.**—(1) When goods of the description mentioned in this section chargeable with a duty of excise

under the First Schedule to the Central Excises Act, as amended by this Act or any subsequent Act of Parliament or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall be levied and collected—

(a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 17(3), 22A, 23A except sub-item (1) thereof, 23B, 28, 29, 31 except sub-item (1) thereof and 32 of that Schedule, a special duty of excise equal to 10 per cent. of the total amount so chargeable on such goods;

(b) as respects goods comprised in Items Nos. 2, 3(1), sub-items I, II(2) and II(3) of Item No. 4, Items Nos. 13, 14, 14F, 15, 15A, 15B, 16, 16A, 17 except sub-item (3) thereof, 18A(2), 21, 22, 23, 23A(1), 27, 30, 31 (1), 33, sub-items (1) and (4) of Item No. 34 and Item No. 37 of that Schedule, a special duty of excise equal to 20 per cent. of the total amount so chargeable on such goods; and

(c) as respects goods comprised in Items Nos. 4 II(1), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to 33 1/3 per cent. of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the duty of excise leviable underthis section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

28. **Regulatory duty of excise.**—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of excise which shall be ten per cent. of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) The duties of excise referred to in sub-section (1) in respect of March, 1964, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

29. *Discontinuance of salt duty.*—For the year beginning on the first day of April, 1963, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

30. *Amendment of Act* 16 *of* 1955.—In the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955,—

(a) in Item No. 1, in the column relating to "Rate of duty", for the words "Ten per cent. *ad valorem*", the words "Rupee one and ten naye paise per litre of the strength of London proof spirit or ten per cent. *ad valorem*, whichever is higher," shall be substituted;

(b) in Item No. 2—

(1) in the column relating to "Description of dutiable goods", the words "which are prepared by distillation or to which alcohol has been added, and" shall be omitted;

(2) in the column relating to "Rate of duty", the words "or ten per cent. *ad valorem*, whichever is higher" shall be inserted at the end;

(c) in Item No. 3, after sub-item (ii), the following item shall be inserted, namely:—

"(iia) Ayurvedic preparations, containing alcohol, which are prepared by distillation or to which alcohol has been added, and which are capable of being consumed as ordinary alcoholic beverages.	Rupees fifteen and fifty naye paise per litre of the strength of London proof spirit.";

(d) in Item No. 6, in the column relating to "Rate of duty", for the words 'Twenty-five per cent. *ad valorem*", the words "Rupees three and eighty-five naye paise per litre of the strength of London proof spirit or twenty-five per cent. *ad valorem*, whichever is higher" shall be substituted.

31. *Amendment of Act 6 of 1898.*—For the First Schedule to the Indian Post Office Act, 1898, the following Schedule shall be substituted, namely:—

"THE FIRST SCHEDULE

INLAND POSTAGE RATES

(*See* section 7)

Letters

For a weight not exceeding fifteen grams	15 naye paise.
For every fifteen grams, or fraction thereof, exceeding fifteen grams	10 naye paise

Letters-cards

For a letter-card	10 naye paise

Post cards

Single	6 naye paise
Reply	12 naye paise

Book, Pattern and Sample packets

For the first fifty grams or fraction thereof	10 naye paise
For every additional twenty-five grams, or fraction thereof, in excess of fifty grams	5 naye paise

Registered Newspapers

For a weight not exceeding one hundred grams	2 naye paise
For a weight exceeding one hundred grams and not exceeding two hundred grams	3 naye paise
For every two hundred grams, or fraction thereof, exceeding two hundred grams	3 naye paise
In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—	
for a weight not exceeding one hundred grams	3 naye paise
for every additional fifty grams or fraction thereof, in excess of one hundred grams	2 naye paise

Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office

Parcels

For a weight not exceeding four hundred grams	60 naye paise
For every four hundred grams, or fraction thereof, exceeding four hundred grams	60 naye paise

THE FIRST SCHEDULE

(See section 2)

PART I

Income-tax and surcharges on income-tax

Paragraph A

(i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

	Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener	
	Rs.	Rs.	Rs.	
(1) On the first	3,000 of total income	3,300 of total income	3,600 of total income	*Nil*
(2) On the next	2,000 ,,	1,700 ,,	1,400 ,,	3%
(3) On the next	2,500 ,,	2,500 ,,	2,500 ,,	7%
(4) On the next	2,500 ,,	2,500 ,,	2,500 ,,	10%
(5) On the next	2,500 ,,	1,500 ,,	2,500 ,,	12%
(6) On the next	2,500 ,,	2,500 ,,	2,500 ,,	15%
(7) On the next	2,500 ,,	2,500 ,,	2,500 ,,	20%
(8) On the next	2,500 ,,	2,500 ,,	2,500 ,,	23%

(ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies:—

	Rs.	
(1) On the first	1,000 of total income	Nil
(2) On the next	4,000 ,,	3%
(3) On the next	2,500 ,,	7%
(4) On the next	2,500 ,,	10%
(5) On the next	2,500 ,,	12%
(6) On the next	2,500 ,,	15%
(7) On the next	2,500 ,,	20%
(8) On the next	2,500 ,,	23%
(9) On the balance of total income		25%

Provided that for the purposes of this Paragraph—

(i) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(a) the income-tax which would have been payable if the total income had been Rs. 20,000;

(b) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally, descended from any other living member of the family;

(ii) Rs. 3,000 in every other case;

Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) a surcharge for purposes of the Union equal to the sum of—

(i) two and a half per cent. of the amount of income-tax calculated at the average rate of income-tax on the income under the head "Salaries" included in the total income;

(ii) five per cent. of the amount of income-tax calculated at the average rate of income-tax on the total income as reduced by the income under the head "Salaries" included therein; and

(iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(b) a special surcharge at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income:

Provided that the surcharge for purposes of the Union and the special surcharge, both together, shall not exceed half the amount

by which the total income as reduced by the amount of income-tax payable by the assessee exceeds the limit specified below:—

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,000 in every other case.

(c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the following rates, namely:—

(*i*) On the first Rs. 6,000 of the residual income . . .	4%
(*ii*) On the next Rs. 9,000 of the residual income . . .	6%
(*iii*) On the next Rs. 12,000 of the residual income . . .	8%
(*iv*) On the next Rs. 15,000 of the residual income . . .	9%
(*v*) On the balance of the residual income	10%

Provided that—

(i) no additional surcharge shall be levied where the residual income does not exceed the limit specified below:

(ii) the additional surcharge shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at three per cent. on so much of the amount of residual income as does not exceed the limit specified below;

(b) one-half of the amount by which the residual income exceeds the limit specified below.

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,600 in the case of every individual who has more than one child wholly or mainly dependent on him or in the case of every Hindu undivided family having more than one minor coparcener;

(iii) Rs. 3,300 in the case of every individual who has one child wholly or mainly dependent on him or in the case of every Hindu undivided family having one minor coparcener;

(iv) Rs. 3,000 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the *Mitakshara* law, a son shall be deemed to be entitled to claim partition of the coparcenary property

against his father or grandfather notwithstanding any custom to the contrary.

Paragraph B

In the case of every local authority,—

Rate of income-tax

On the whole of the total income—30 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of five per cent. of the amount of income-tax.

Paragraph C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income—25 per cent.

Surcharges on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) a surcharge of purposes of the Union of five per cent. of the amount of income-tax;

(b) a special surcharge of fifteen per cent. of the amount of income-tax; and

(c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the rates as specified in Paragraph A of this Part.

Paragraph D

In the case of every company,—

Rate of income-tax

On the whole of the total income—25 per cent.

Paragraph E

In the case of every registered firm,—

Rates of income-tax

	Where the firm has four or less partners as on the last day of the previous year	Where the firm has five or more partners as on the last day of the previous year
(1) On the first Rs. 25,000 of total income	Nil	Nil
(2) On the next Rs. 15,000 of total income	5%	7%
(3) On the next Rs. 20,000 of total income	6%	8%
(4) On the next Rs. 40,000 of total income	7%	9%
(5) On the next Rs. 50,000 of total income	8%	10%
(6) On the balance of total income	10%	12%

Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union equal to the sum of—

(i) twenty per cent. of the amount of income-tax payable by the firm on its income from any business carried on by it calculated at the rate of income-tax applicable to its total income; and

(ii) ten per cent. of the amount of income-tax payable by it on its income from all sources other than from any business carried on by it calculated at the rate of income-tax applicable to its total income.

PART II

Super-tax and surcharges on super-tax

Paragraph A

It the case of every individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rate of super-tax

(1) On the first Rs. 20,000 of total income	Nil
(2) On the next Rs. 5,000 of total income	8%
(3) On the next Rs. 5,000 total income	18%
(4) On the next Rs. 10,000 of total income	22%
(5) On the next Rs. 10,000 of total income	32%
(6) On the next Rs. 10,000 of total income	40%
(7) On the next Rs. 10,000 of total income	45%
(8) On the balance of total income	47·4%

Surcharges on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) A surcharge for purposes of the Union equal to the sum of—

(i) two and a half per cent. of the amount of super-tax calculated at the average rate of super-tax on the income under the head "Salaries" included in the total income;

(ii) five per cent. of the amount of super-tax calculated at the average rate of super-tax on the total income as reduced by the income under the head "Salaries" included therein; and

(iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount

of super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income.

Paragraph B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income ... 16%

Surcharge on super-tax

The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income ... Nil

(2) On the balance of total income ... 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph D

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

Rates of super-tax

On the whole of the total income .. 55% :

Provided that—

(i) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from any Indian company; and at the rate of 35 per cent. on the balance of the total income shall be allowed in the case of any company which—

(a) in respect of its profit liable to tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1963, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits in accordance with the provisions of section 194 of that Act; and

(b) is such a company as is referred to in section 108 of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before the 1st day of April, 1961; at the rate of 45 per cent. on so much of the total income as consists of dividends from any other Indian company; and at the rate of 30 per cent. on the balance of the total income shall be allowed in the case of any

company which satisfies condition (a) but not condition (b) of the preceding clause;

(iii) a rebate at the rate of 50 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before 1st day of April, 1961; at the rate of 30 per cent. on so much of the total income as consists of dividends from an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959; at the rate of 45 per cent. on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April 1959; at the rate of 30 per cent. on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government; and at the rate of 17 per cent. on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that—

(i) the amount of the rebate under clause (i) or clause (ii) of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

(*a*)	on the aggregate of the sums computed in the manner provided in clause (*i*) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance (No. 2) Act, 1962, (20 of 1962.) as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (*ii*) of the said proviso for the purpose of reducing the rebate mentioned in clause (*i*) of the said proviso to *nil* ; and	at the rate of 100%
(*b*)	on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up Capital;	at the rate of 12½%

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii) as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a) and (b) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to *nil* shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand; and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation I.—For the purposes of this Paragraph, where any portion of the profits and gains of a company is not included in its total income by reason of such portion being agricultural income, the amount representing the face value of any bonus shares and the amount of any bonus issued to its shareholders shall each be deemed to be such proportion thereof as the average of the total income of the company in the five previous years in which the company has been in receipt of taxable income

immediately preceding the relevant previous year bears to the average of its total profits and gains (excluding capital receipts) for the preceding five years aforesaid, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss accounts for the preceding five years aforesaid.

Explanation II.—For the purposes of this Paragraph and Part III of the Schedule, a company shall be deemed to be a subsidiary of another company if that other company holds more than half in nominal value of the equity share capital of the first mentioned company.

Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

Rates of super-tax

On the whole of its profits and gains from life insurance business .. 22·5%

PART III

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

	Income tax			Super-tax	
	Rate of income tax	Rates of surcharges		Rate of super-tax	Rates of surcharges.
		Surcharges for purposes of the Union	Special surcharges		
I. In the case of a person other than a company—					
(*a*) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government), and	5%	1·25%	3·75%	..	
(*b*) In addition, where the person is not resident in India, on the whole income				Super-tax and surcharges on super-tax in accordance with the provisions of clause (*b*) of sub-section (*i*) of section 113 of the Income tax Act.	

	Rate of income-tax	Rate of super-tax
2. In the case of a company—		
(a) in every case—		
(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government) ; and	25%	
(ii) on the whole income (excluding dividends payable by an Indian company referred to in clause (iv) of sub-section (i) of section 99 of the Income-tax Act ; and .		5%
(b) in addition where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India :—		
(i) on the income from dividends (excluding dividends payable by an Indian company referred to in clause (iv) of sub-section (1) of section 99 of the Income tax Act)—		
(1) on dividends payable by any of its subsidiary Indian companies formed and registered before the 1st day of April, 1961		Nil
(2) on dividends payable by an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959		20%
(3) on dividends payable by any other Indian company formed and registered on or after the 1st day of April, 1959		5%
(ii) on the income from royalties payable by an Indian concern in pursuance of an agreement which is made by it with the Indian concerns on or after the 1st day of April, 1961 ; and which has been approved by the Central Government		20%
(iii) on any other income		33%

THE SECOND SCHEDULE

[*See* section 22(2)]

In the First Schedule to the Tariff Act,—

(i) in Item No. 24, for the entry in the fourth column, the entry "Rs. 60·00 per kilogram" shall be substituted;

(ii) in Item No. 24(3), for the entry in the fourth column and the entry in the sixth column, the entry "Rs. 50·00 per kilogram" shall be substituted;

(iii) in Item No. 28A, for the entry in the second column, the following entry shall be substituted, namely:—

"Patent or proprietary medicines not containing alcohol, opium, Indian hemp or other narcotic drugs or other narcotics other than those medicines which are exclusively Ayurvedic, Unani, Sidha or Homoeopathic.

Explanation.—'Patent or proprietary medicines' means any drug or medicinal preparation, in whatever form, for use in the internal or external treatment of, or for the prevention of ailments in, human beings or animals, which bears either on itself or on its container or both, a name which is not specified in a monogram in a Pharmacopoeia, Formulary or other publications notified in this behalf by the Central Government in the Official Gazette, or which is a brand name, that is, a name or a registered trade mark under the Trade and Merchandise Marks Act, 1958 (43 of 1958), or any other mark such as a symbol, monogram, label, signature or invented words or any writing which is used in relation to that medicine for the purpose of indicating or so as to indicate a connection in the course of trade between the medicine and some person having the right either as proprietor or otherwise to use the name or mark with or without any indication of the identity of that person.";

(iv) in Item No. 29, for the entry in the fourth column, the entry "Rs. 12·00 per 100 linear metres" shall be substituted;

(v) in Item Nos. 30, 73, 73(1), 77 and 77(5), for the entries against each of them in the fourth and fifth columns, the entries "60 per cent. *ad valorem*" and "50 per cent. *ad valorem*" shall, respectively, be substituted;

(vi) in Item No. 30(1), for the entries in the fourth column against sub-items (a), (b) (i) and (b) (ii), the entry "50 per cent. *ad valorem*" shall be substituted;

(vii) in Item No. 39, for the entry in the fourth column, the entry "20 per cent. *ad. valorem*" shall be substituted;

(viii) in Items Nos. 63(1), 63(20A) and 63 (35), for the entry against each of them in the fourth column, the entry "30 per cent. *ad valorem*" shall be substituted.

(ix) in Item No. 63(2),—

(1) for the entry in the fourth column against sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 22·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*".

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

'Rs. 64·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(x) in Item No. 63(3),—

(1) for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

"Rs. 31·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne or 20 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*".

(xi) in Item No. 63(9), for the entry in the fourth column the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 10 per cent. *ad valorem*";

(xii) in Item No. 63(10),—

(1) for the entry in the fourth column against sub-item (i), the entry "Rs. 80·00 per tonne *plus* 5 per cent. *ad valorem*" shall be substituted;

(2) for the entry in the fourth column against sub-item (ii), the enry "Rs. 100·00 per tonne *plus* 5 per cent. *ad valorem*" shall be substituted;

(xiii) in Item No. 63(12), in the entry in the second column, for the words "Iron or steel bolts and nuts", the words "Iron or steel bolts and nuts, not otherwise specified," shall be substituted;

(xiv) in Item No. 68(14A), for the figures "50" and "40" in the fourth and fifth columns, the figures "55" and "45" shall, respectively, be substituted;

(xv) in Item No. 63(7), for the words and figure "*plus* 5 per cent. *ad valorem*" in the entry against each of the sub-items (i) and (ii) in the fourth column, the words and figures "*plus* 10 per cent. *ad valorem*" shall be substituted;

(xvi) in Item No. 63(18), for the figures "20" and "40" in the fourth column against sub-item (a) and (b), the figures "25" and "45" shall, respectively, be substituted;

(xvii) in Item No. 63(19),—

(1) for the entry in the fourth column against sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 15·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

"Rs. 40·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(xviii) in Item No. 63(20),—

(1) for the entry in the fourth column against sub-item (a) (1)(i), the following entry shall be substituted, namely:—

"Rs. 29·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (a) (1) (ii), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(3) for the entry in the fourth column against sub-item (a)(2)(i), the following entry shall be substituted, namely:—

"Rs. 30·00 per tonne or 10 per cent. *advalorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(4) for the entry in the fourth column against sub-item (a)(2)(ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(5) for the entry in the fourth column against sub-item (b)(1)(i), the following entry shall be substituted, namely:—

"Rs. 32·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(6) for the entry in the fourth column against sub-item (b)(1)(ii), the following entry shall be substituted, namely:—

"Rs. 55·00 per tonne *plus* 5 per cent. *ad valorem*";

(7) for the entry in the fourth column against sub-item (b)(2)(i), the following entry shall be substituted, namely:—

"Rs. 32·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(8) for the entry in the fourth column against sub-item (b)(2)(ii), the following entry shall be substituted, namely:—

'Rs. 64·00 per tonne *plus* 5 per cent. *ad valorem*";

(xix) in Item No. 63(21)A,—

(1) for the entry in the fourth column against sub-item (a)(i), the following entry shall be substituted, namely:—

"Rs. 10·00 per tonne or 15 per cent. *ad valorem*, whichever is higher";

(2) for the entry in the fourth column against sub-item (a)(ii), the following entry shall be substituted, namely:—

"Rs. 10·00 per tonne or 25 per cent. *ad valorem*, whichever is higher";

(3) for the entry in the fourth column against sub-item (b)(i), the following entry shall be substituted, namely:—

"Rs. 31·00 per tonne or 10 per cent. *ad valorem*, whichever is higher";

(4) for the entry in the fourth column against sub-item (b)(ii), the following entry shall be substituted, namely:—

"Rs. 60·00 per tonne *plus* 5 per cent. *ad valorem*";

(xx) in Item No. 63(24), for the figures "55" and "45" in the fourth and fifth columns, the figures "60" and "50" shall, respectively, be substituted;

(xxi) in Item No. 63(25),—

(1) for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

"30 per cent. *ad valorem*.";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"30 per cent. *ad valorem plus* Rs. 35·00 per tonne";

(xxii) in Item No. 63(28), for the figures "55" in the fourth column, the figures "60" shall be substituted;

(xxiii) in Item No. 63(31),—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 29·00 per tonne or 10 per cent. *ad valorem*, whichever is higher, *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(xxiv) in Item No. 63(32),—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 50·00 per tonne *plus* 5 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 84·00 per tonne *plus* 5 per cent. *ad valorem*";

(xxv) in Item No. 71,—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"60 per cent. *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"100 per cent. *ad valorem*";

(xxvi) in Items Nos. 72, 72(1), 72(2) and 72(3), for the entry against each of them in the fourth column, the entry "20 per cent. *ad valorem*" shall be substituted;

(xxvii) in Item No. 75, for the figures "35" in the fourth column, the figures "50" shall be substituted;

(xxviii) in Items Nos. 75(11) and 75(12), for the figures "25" against each of them in the fourth column, the figures "50" shall be substituted; and

(xxix) in Item No. 87, for the figures "50" in the fourth column, the figures "60" shall be substituted.

R. C. S. SARKAR,

Secy. to the Govt. of India.

Assented to on 4-5-1963

Act No. 14 *of* 1963

THE SUPER PROFITS TAX ACT, 1963

(AS PASSED BY THE HOUSES OF PARLIAMENT)

AN

ACT

to impose a special tax on certain companies.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. *Short title and extent.*—(*1*) This Act may be called the Super Profits Tax Act, 1963.

(2) It extends to the whole of India.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(1) "assessee" means a person by whom super profits tax or any other sum of money is payable under this Act and includes every person in respect of whom any proceeding under this Act has been taken for the assessment of his chargeable profits or of the amount of refund due to him or of the chargeable profits of any other person in respect of which he is assessable or of the amount of refund due to such other person;

(2) "assessment" includes re-assessment;

(3) "assessment year" means the period of twelve months commencing on the 1st day of April, every year;

(4) "Board" means the Central Board of Revenue constituted under the Central Board of Revenue Act, 1924 (4 of 1924);

(5) "chargeable profits" means the total income of an assessee computed under the Income-tax Act, 1961 (43 of 1961) for any previous year or years, as the case may be, and adjusted in accordance with the provisions of the First Schedule;

(6) "deficiency" in relation to an assessment year means—

(i) where there are chargeable profits in respect of the previous year relevant to that assessment year, the amount by which such profits as increased by the sum excluded under clause (xi) or clause (xii), as the case may be, of rule 1 of the First Schedule fall short of the standard deduction;

(ii) where there are no chargeable profits in respect of the previous year relevant to that assessment year, the amount of the standard deduction;

(7) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961);

(8) "prescribed" means prescribed by rules made under this Act;

(9) "standard deduction" means an amount equal to six per cent. of the capital of the company as computed in accordance with the provisions of the Second Schedule, or an amount of fifty thousand rupees, whichever is greater:

Provided that where the previous year is longer or shorter than a period of twelve months, the aforesaid amount of six per cent. or, as the case may be, of fifty thousand rupees shall be increased or decreased proportionately:

Provided further that where a company has different previous years in respect of his income profits and gains, the aforesaid increase or decrease, as the case may be, shall be calculated with reference to the length of the previous year of the longest duration; and

(10) all other words and expressions used herein but not defined and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

3. *Tax authorities.*—(1) Every Director of Inspection, Commissioner of Income-tax, Appellate Assistant Commissioner of Income-tax, Inspecting Assistant Commissioner of Income-tax and Income-tax Officer shall have the like powers and perform the like functions, under this Act as he has and performs, under the Income-tax Act, and for the exercise of his powers and the performance of his functions, his jurisdiction under this Act will be the same as that he has under the Income-tax Act.

(2) All officers and persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board:

Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of the Appellate Assistant Commissioner in the exercise of his appellate functions.

(3) Every Income-tax Officer, employed in the execution of this Act, shall observe and follow the orders, instructions and directions issued for his guidance by the Director of Inspection or by the Commissioner or by the Inspecting Assistant Commissioner under whose jurisdiction he performs his functions.

4. *Charge of tax.*—Subject to the provisions contained in this Act, there shall be charged on every company for every assessment year commencing on and from the 1st day of April, 1963, a tax (in this Act referred to as the super profits tax) in respect of so much of its chargeable profits of the previous year or previous years, as the case may be, as exceed the standard deduction, at the rate or rates specified in the Third Schedule.

5. *Relief on occurrance of deficiency.*—Where there is a deficiency in relation to any assessment year, the assessee shall be entitled to relief in accordance with the following provisions, namely,—

(i) the amount of the deficiency shall be carried forward and set off against the net chargeable profits of the assessee assessable for the next following assessment year and, if there are no net chargeable profits for that year or the amount of the deficiency exceeds the net chargeable profits for that year, the whole or the balance of the deficiency, as the case may be, shall be set off against the net chargeable profits of the assessee for the next following assessment year and if and so far as such deficiency cannot be wholly so set off, it

shall be set off against the net chargeable profits of the assessee for the next following assessment year;

(ii) in no case shall the deficiency or any part thereof be carried forward beyond three assessment years immediately following the assessment year to which the deficiency relates;

(iii) where there is more than one deficiency and each such deficiency relates to a different assessment year, the deficiency which relates to an earlier assessment year shall be set off under clause (i) before setting off the deficiency relating to a later assessment year.

Explanation.—In this section and sub-section (1) of section 8, "net chargeable profits" means the amount by which the chargeable profits exceed the standard deduction.

6. *Return of chargeable profits.*—(1) In the case of every company whose chargeable profits assessable under this Act exceeded during the previous year the amount of standard deduction, its principal officer, or where in the case of a non-resident company any person has been treated as its agent under section 163 of the Income-tax Act, such person shall furnish a return of the chargeable profits of the company during the previous year and of the amount of any deficiency available for being set off against such profits under the provisions of this Act, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, before the 30th day of September of the assessment year:

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(2) In the case of any company which in the Income-tax Officer's opinion is assessable under this Act, the Income-tax Officer may, before the end of the relevant assessment year, serve a notice upon its principal officer, or where in the case of a non-resident company any person has been treated as its agent under section 163 of the Income-tax Act, upon such person, requiring him to furnish within thirty days from the date of service of the notice a return of the chargeable profits of the company during the previous year and of the amount of any deficiency available for being set off against such profits under the provisions of this Act, in the prescribed form and verified in the prescribed manner and setting for such other particulars as may be prescribed:

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(3) Any assessee who has not furnished a return during the time allowed by the Income-tax Officer under sub-section (1) or sub-section (2), or having furnished a return under sub-section (1) or sub-section (2) discovers any omission or wrong statement therein, may furnish a return or a revised return, as the case may be, at any time before the assessment is made.

7. *Assessments.*—(1) For the purposes of making an assessment under this Act, the Income-tax Officer may serve on any person who has made a return under sub-section (1) of section 6 or upon whom a notice has been served under sub-section (2) of section 6 (whether a return has been made or not) a notice requiring him on a date therein to be specified, to produce or cause to be produced such accounts or documents

or evidence as the Income-tax Officer may require for the purposes of this Act and may from time to time serve further notices requiring the production of such further accounts or documents or other evidence as he may require.

(2) The Income-tax Officer, after considering such accounts, documents or evidence, if any, as he has obtained under sub-section (1) and after taking into account any relevant material which he has gathered, shall, by an order in writing, assess the chargeable profits and the amount of the super profits tax payable on the basis of such assessment or, if there is a deficiency, the amount of that deficiency.

8. *Provisional assessments.*—(1) The Income-tax Officer, before proceeding to make an assessment (in this section referred to as the regular assessment) may, at any time after the expiry of the period allowed under sub-section (1) or sub-section (2) of section 6 for the furnishing of the return and whether the return has or has not been furnished, proceed to make in a summary manner a provisional assessment of the chargeable profits and the amount of the super profits tax payable thereon:

(2) Before making such provisional assessment, the Income-tax Officer shall give notice in the prescribed form to the person on whom the provisional assessment is to be made of his intention to do so, and shall with the notice forward a statement of the amount of the proposed assessment, and the said person shall be entitled to deliver to the Income-tax Officer at any time within fourteen days of the service of the said notice a statement of his objections, if any, to the amount of the proposed assessment.

(3) On expiry of the said fourteen days from the date of service of the notice referred to in sub-section (2), or earlier, if the assessee agrees to the proposed provisional assessment, the Income-tax Officer may, after taking into account the objections, if any, made under sub-section (2), make a provisional assessment, and shall furnish a copy of the order of the assessment to the assessee:

Provided that assent to the amount of the provisional assessment, or failure to make objection to it, shall in on way prejudice the assessee in relation to the regular assessment.

(4) There shall be no right of appeal against a provisional assessment made under this section.

(5) After a regular assessment has been made, any amount paid or deemed to have been paid towards the provisional assessment made under this section shall be deemed to have been paid towards the regular assessment; and where the amount paid or deemed to have been paid towards the provisional assessment exceeds the amount payable under the regular assessment, the excess shall be refunded to the assessee;

Provided that in making any such provisional assessment, the Income-tax Officer shall make allowance for any deficiency in relation to any earlier assessment year which under the provisions of this Act is to be set off against the net chargeable profits for the assessment year in respect of which the provisional assessment is being made, and where such deficiency has not been assessed under the provisions of sub-section (2) of section 7, he shall estimate the amount thereof to the best of his judgement.

9. *Profits escaping assessment.*—If—

(a) the Income-tax Officer has reason to believe that by reason of the omission or failure on the part of the assessee to make a return under section 6 for any assessment year or to disclose fully and truly all material facts necessary for his assessment for any assessment year, chargeable profits for that year have escaped assessment or have been under-assessed or assessed at too low a rate or have been made the subject of excessive relief under this Act, or

(b) notwithstanding that there has been no omission or failure as mentioned in clause (a) above on the part of the assessee, the Income-tax Officer has in consequence of information in his possession reason to believe that chargeable profits assessable for any assessment year have escaped assessment or have been under-assessed or assessed at too low a rate or have been the subject of excessive relief under this Act,

he may, in cases falling under clause (a) at any time, and in cases falling under clause (b) at any time within four years of the end of that assessment year, serve on the assessee a notice containing all or any of the requirements which may be included in a notice under section 6, and may proceed to assess or re-assess the amount chargeable to super profits tax, and the provisions of this Act shall, so far as may be, apply as if the notice were a notice issued under that section.

10. *Penalties.*—If the Income-tax Officer, in the course of any proceedings under this Act, is satisfied that any person has, without reasonable cause, failed to furnish the return required under section 6, or to produce or cause to be produced the documents, accounts or other evidence required by the Income-tax Officer under sub-section (1) of section 7, or has concealed the particulars of the chargeable profits or has deliberately furnished inaccurate particulars of such profits, he may direct that such person shall pay, by way of penalty, in addition to the amount of super profits tax payable, a sum not exceeding—

(a) where the person has failed to furnish the return required under section 6, the amount of super profits tax payable;

(b) in any other case, the amount of super profits tax which would have been avoided if the return made had been accepted as correct:

Provided that the Income-tax Officer shall not impose any penalty under this section without the previous authority of the Inspecting Assistant Commissioner.

11. *Opportunity of being heard.*—No order imposing a penalty under section 10 shall be made unless the assessee has been given a reasonable opportunity of being heard.

12. *Appeals to the Appellate Assistant Commissioner.*—(1) Any person objecting to the amount of super profits tax for which he is liable as assessed by the Income-tax Officer or denying his liability to be assessed under this Act, or objecting to any penalty or fine imposed by the Income-tax Officer, or to the amount of any deficiency as assessed by the Income-tax Officer, or to the amount allowed by the Income-tax Officer by way of any relief under any provisions of this Act, or to any refusal by the Income-tax Officer to grant relief or to an order of rectification or amendment having the effect of enhancing the assessment or reducing the refund, or to an order refusing to allow the claim made by the

assessee for a rectification under section 14 or amendment under section 15 may appeal to the Appellate Assistant Commissioner.

(2) Every appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(3) An appeal shall be presented within thirty days of the following date, that is to say—

(a) where the appeal relates to assessment or penalty or fine, the date of service of the notice of demand relating to the assessment or penalty or fine, or

(b) in any other case, the date on which the intimation of the order sought to be appealed against is served:

Provided that the Appellate Assistant Commissioner may admit an appeal after the expiration of the said period if he is satisfied that the appellant had sufficient cause for not presenting it within that period.

(4) The Appellate Assistant Commissioner shall hear and determine the appeal and, subject to the provisions of this Act, pass such orders as he thinks fit and such orders may include an order enhancing the assessment or a penalty:

Provided that an order enhancing an assessment or a penalty shall not be made unless the person affected thereby has been given a reasonable opportunity of showing cause against such enhancement.

(5) The procedure to be adopted in the hearing and determination of the appeals shall, with any necessary modification, be in accordance with the procedure applicable in relation to income-tax.

13. *Appeals to Appellate Tribunal.*—(1) Any assessee aggrieved by an order passed by a Commissioner under section 17, or an order passed by an Appellate Assistant Commissioner under any provisions of this Act, may appeal to the Appellate Tribunal against such order.

(2) The Commissioner may, if he objects to any order passed by the Appellate Assistant Commissioner under any provisions of this Act, direct the Income-tax Officer to appeal to the Appellate Tribunal against the order.

(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the Commissioner, as the case may be.

(4) The Income-tax Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Appellate Assistant Commissioner has been preferred under sub-section (1) or sub-section (2) by the other party may, notwithstanding that he may not have appealed against such order or any part thereof, within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the order of the Appellate Assistant Commissioner, and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3).

(5) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (3) or sub-section (4), if it is satisfied that there was sufficient cause for not presenting it within that period

(6) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and, shall, except in the case of an appeal referred to in sub-section (2) or a memorandum of cross-objections referred to in sub-section (4), be accompanied by a fee of rupees one hundred.

(7) Subject to the provisions of this Act, in hearing and making an order on any appeal under this section, the Appellate Tribunal shall exercise the same powers and follow the same procedure as it exercises and follows in hearing and making an order on any appeal under the Income-tax Act.

14. *Rectification of mistakes.*—(1) With a view to rectifying any mistake apparent from the record, the Commissioner, the Income-tax Officer, the Appellate Assistant Commissioner and the Appellate Tribunal may, of his, or its, own motion or on an application by the assessee in this behalf, amend any order passed by him or it in any proceeding under this Act within four years of the date on which such order was passed.

(2) An amendment which has the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of the assessee shall not be made under this section unless the authority concerned has given notice to the assessee of its intention so to do and has allowed the assessee a reasonable opportunity of being heard.

(3) Where an amendment is made under this section, the order shall be passed in writing by the authority concerned.

(4) Subject to the other provisions of this Act, where any such amendment has the effect of reducing the assessment, the Income-tax Officer shall make any refund which may be due to such assessee.

(5) Where any such amendment has the effect of enhancing the assessment or reducing the refund already made, the Income-tax Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable.

15. *Other amendments.*—(1) Where as a result of any order made under section 154 or section 155 of the Income-tax Act, it is necessary to recompute the chargeable profits determined in any assessment under this Act, the Income-tax Officer may proceed to recompute the chargeable profits, and determine the super profits tax payable or refundable on the basis of such recomputation and make the necessary amendment and the provisions of section 14 shall, so far as may be, apply thereto, the period of four years specified in sub-section (1) of that section being reckoned from the date of the order passed under the aforesaid sections of the Income-tax Act.

(2) Where at any time before the expiry of the five years referred to in sub-clause (ii) of the proviso to clause (xi) of rule 1 of the First Schedule, a company utilises the amount credited by it to the special reserve account under that sub-clause for a purpose other than—

(a) repayment of any moneys borrowed or debt incurred by it for acquisition of capital assets; or

(b) acquisition of capital assets in India for the purposes of its business; or

(c) payment of dividends on its preference share capital of any sum exceeding six per cent. of such capital,

the exclusion of ten per cent of the amount of total income originally made under clause (xi) of rule 1 of the First Schedule in computing the chargeable profits of the company shall be deemed to have been wrongly made and the Income-tax Officer may, notwithstanding anything contained in this Act, recompute the chargeable profits of the assessee for the relevant previous year and make the necessary amendment, and the provisions of section 14 shall, so far as may be, apply thereto, the period of four years specified in sub-section (1) of that section being reckoned from the end of the previous year in which the amount was so utilised.

16. *Super profits tax deductible in computing distributable income under Act 43 of 1961.*—Notwithstanding anything contained in clause (i) of section 109 of the Income-tax Act, in computing the distributable income of a company for the purposes of sections 104 and 105 of that Act, the super profits tax payable by the company for any assessment year shall be deductible from the total income of the company for that assessment year.

17. *Revision of orders prejudicial to revenue.*—(1) The Commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by the Income-tax Officer is erroneous in so far as it is prejudicial to the interests of the revenue, he may, after giving the assessee an opportunity of being heard and after making or causing to be made such inquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or cancelling the assessment and directing a fresh assessment.

(2) No order shall be made under sub-section (1)—

(a) to revise an order of re-assessment made under section 9, or

(b) after the expiry of two years from the date of the order sought to be revised.

(3) Notwithstanding anything contained in sub-section (2), an order in revision under this section may be passed at any time in the case of an order which has been passed in consequence of, or to give effect to, any finding or direction contained in an order of the Appellate Tribunal, the High Court or the Supreme Court.

Explanation.—In computing the period of limitation for the purposes of sub-section (2), any period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded.

18. *Revision of orders by Commissioner.*—(1) The Commissioner may, either of his own motion or on an application by the assessee for revision, call for the record of any proceeding under this Act which has been taken by an Income-tax Officer or Appellate Assistant Commissioner subordinate to him and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may pass such orders thereon, not being an order prejudicial to the assessee, as he thinks fit.

(2) The Commissioner shall not of his own motion revise any order under this section if the order has been made more than one year previously.

(3) In the case of an application for revision under this section by the assessee, the application shall be made within one year from the

date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier:

Provided that the Commissioner may, if he is satisfied that the assessee was prevented by sufficient cause from making the application within that period, admit an application made after the expiry of that period.

(4) The Commissioner shall not revise any order under this section in the following cases—

(a) where an appeal against the order lies to the Appellate Assistant Commissioner or to the Appellate Tribunal but has not been made and the time within which such appeal may be made has not expired, or, in the case of an appeal to the Appellate Tribunal, the assessee has not waived his right of appeal; or

(b) where the order is pending on an appeal before the Appellate Assistant Commissioner; or

(c) where the order has been made the subject of an appeal to the Appellate Tribunal.

(5) Every application by an assessee for revision under this section shall be accompanied by a fee of twenty-five rupees.

Explanation 1.—An order by the Commissioner declining to interfere shall, for the purposes of this section, be deemed not to be an order prejudicial to the assessee.

Explanation 2.—For the purposes of this section, the Appellate Assistant Commissioner shall be deemed to be an authority subordinate to the Commissioner.

19. *Application of provisions of Act* 43 *of* 1961.—The provisions of the following sections and Schedules of the Income-tax shall apply with such modifications, if any, as may be prescribed, as if the said provisions were provisions of this Act and referred to super profits tax instead of to income-tax and super-tax :—

2(44), 131 to 138 (both inclusive), 140, 156, 160, 161, 162, 163, 166, 167, 170, 173, 175, 176, 178, 179, 220 to 229 (both inclusive), 231, 232, 233, 237 to 245 (both inclusive), 254 to 262 (both inclusive), 265 to 269 (both inclusive), 281, 282, 284, 286 to 293 (both inclusive), the Second Schedule and the Third Schedule:

Provided that references in the said provisions to the "assessee" shall be construed as references to an assessee as defined in this Act.

20. *Income-tax papers to be available for the purposes of this Act.*—(1) Notwithstanding anything contained in the Income-tax Act, all information contained in any statement or return made or furnished under the provisions of that Act or obtained or collected for the purposes of that Act may be used for the purposes of this Act.

(2) All information contained in any statement or return made or furnished under the provisions of this Act or obtained or collected for the purposes of this Act may be used for the purposes of the Income-tax Act.

21. *Failure to deliver returns, etc.*—If any person fails without reasonable cause to furnish in due time any return under sub-section (2) of section 6 or to produce, or cause to be produced, any accounts or

documents required to be produced under section 7, he shall be punishable with fine which may extend to five hundred rupees, and with a further fine which may extend to ten rupees for every day during which the default continues.

22. *False statements.*—If a person makes in any return required under section 6, any statement which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

23. *Abetment of false returns, etc.*—If a person makes or induces in any manner another person to make and deliver any account, statement or declaration relating to chargeable profits liable to super profits tax which is false and which he either knows to be false or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

24. *Institution of proceedings and composition of offences.*—(1) A person shall not be proceeded against for an offence under section 21 or section 22 or section 23 or under the Indian Penal Code (45 of 1860) except at the instance of the Commissioner.

(2) The Commissioner may, either before or after the institution of proceedings, compound any offence punishable under section 21 or section 22 or section 23.

25. *Power to make exemption, etc., in relation to certain Union territories.*—If the Central Government considers it necessary or expedient so to do for avoiding any hardship or anomaly or removing any difficulty that may arise as a result of the application of this Act, to the Union territories of Dadra and Nagar Haveli, Goa, Daman and Diu and Pondicherry, the Central Government may, by general or special order, make an exemption, reduction in rate or other modification in respect of super profits tax in favour of any class of assessees or in regard to the whole or any part of the chargeable profits of any class of assessees.

26. *Power to make rules.*—(1) The Board may, subject to the control of the Central Government, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters:—

(a) the form in which returns under section 6 may be furnished and the manner in which they may be verified;

(b) the form in which notice for making provisional assessment shall be given;

(c) the form in which appeals under section 12 or section 13 may be filed and the manner in which they shall be verified;

(d) the procedure to be followed on applications for rectification of mistakes and applications for refunds;

(e) any other matter which by this Act is to be, or may be, prescribed.

(3) The Central Government shall cause every rule made under this section to be laid as soon as may be after it is made before each House

of Parliament while it is in session for a total period of thirty days, which may be, comprised in one session or in two successive sessions, and, if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, that rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

27. *Saving.*—Nothing contained in this Act shall apply to any company which has no share capital.

THE FIRST SCHEDULE

[*See* section 2(5)]

RULES FOR COMPUTING THE CHARITABLE PROFITS

In computing the chargeable profits of a pervious year, the total income computed for that year under the Income-tax Act shall be adjusted as follows:—

1. Income, profits and gains and other sums falling within the following clauses shall be excluded from such total income, namely:—

(i) any income chargeable under the Income-tax Act under the head "Capital gains";

(ii) any compensation or other payment as is referred to in clause (ii) of section 28 of the Income-tax Act;

(iii) profits of any business of life insurance;

(iv) any income referred to in sub-section (2) of section 41 of the Income-tax Act;

(v) the amount of profits and gains derived from an industrial undertaking or hotel, on which under section 84 of the Income-tax Act income-tax is not payable;

(vi) income chargeable under the Income-tax Act under the head "Interest on securities" derived from any security of the Central Government issued or declared to be income-tax free or from any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(vii) any sum in respect of which a deduction of income-tax is allowed under the provisions of section 88 of the Income-tax Act;

(viii) income by way of dividends from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India;

(ix) income by way of royalties received from Government, or a local authority, or any Indian concern;

(x) in the case of a non-resident company which has not made the prescribed arrangements for the declaration and payment of dividends within India, its income by way of any interest or fees for rendering technical services received from Governmente or a local authority or any Indian concern;

(xi) in the case of a company not being a banking company, a sum equal to ten per cent. of the amount of total income computed under the Income-tax Act, as reduced by the amounts referred to in clause (i) or clause (ii) or clause (iii):

Provided that in the case of a company not being a banking company and not being a licensee within the meaning of the Electricity (Supply) Act, 1948 (54 of 1948), either—

(i) an equivalent amount is spent during the previous year on the repayment of any moneys borrowed or debt incurred by it for acquisition of capital assets,

or on acquisition of any capital assets in India for the purposes of its business, or on the payment of dividends on its preference share capital of any sum exceeding six per cent. of such capital; or

(ii) in so far as the amount, if any, spent during the previous year on the purposes aforesaid falls short of the said ten per cent. of the total income so reduced, a sum equal to the amount so fallen short is debited by the company to its profit and loss account of the relevant previous year and credited to a special reserve account to be utilized by it during a period of five years next following only for one or more of the purposes specified in sub-clause (i) of this proviso.

Explanation 1.—If any amount credited to the special reserve account referred to in sub-clause (ii) of the proviso is utilized for any purposes other than the purposes specified in sub-clause (i) of the proviso, the exclusion referred to in this clause shall be deemed to have been wrongly made for the purposes of this Act and the provisions of sub-section (2) of section 15 shall apply accordingy.

Explanation 2.—The proviso shall not apply in making any assessment under this Act for the assessment year commencing on the 1st day of April, 1963;

(xii) in the case of a banking company—

(a) any sum which during the previous year is transferred by it to a reserve fund under sub-section (1) of section 17 of the Banking Companies Act, 1949 (10 of 1949) or is deposited by it with the Reserve Bank of India under sub-clause (ii) of clause (b) of sub-section (2) of section 11 of that Act, not exceeding the amount required under the aforesaid provisions to be so transferred or deposited, as the case may be, or

(b) any sum transferred by it during the previous year to any reserves in India including reserves not shown as such in its published balance sheet in so far as the sums transferred to such reserves are attributable to income chargeable to tax under the Income-tax Act and have not been allowed as a deduction in computing its total income under that Act and in so far as the aggregate of such sums does not exceed the highest of the aggregate of such sums, if any, so transferred during any one of the three years prior to the previous year,

whichever is higher;

(xiii) the amount of any deduction from the income-tax and super-tax chargeable on the total income allowed under the annual Finance Act in connection with export of any goods or merchandise out of India or the sale by a manufacturer of any articles to any person who exports them out of India.

2. The balance of the total income arrived at after making the exclusions mentioned in rule 1, shall be reduced by—

(i) the amount of income-tax and super-tax payable by the company in respect of its total income under the provisions of the

Income-tax Act after making allowance for any relief, rebate or deduction in respect of income-tax and super-tax to which the company may be entitled under the provisions of the said Act or the annual Finance Act, and after excluding from such amount—

(a) the amount of income-tax and super-tax payable by the company in respect of the profits and gains of any business of life insurance included in the total income;

(b) the amount of income-tax and super-tax payable by the company under the Income-tax Act in respect of any income by way of compensation or other payment referred to in clause (ii) of section 28 of that Act included in the total income;

(c) the amount of income-tax and super-tax payable on any income chargeable under the head "Capital gains" under the Income-tax Act, included in the total income;

(ii) in the case of a company which has been charged to tax in a country outside India on any portion of its income, profits and gains included in its total income as computed under the Income-tax Act, the tax actually paid in respect of such income in the said country in accordance with the laws in force in that country after allowance of every relief due under the said laws:

Provided that the aforesaid reduction shall not be allowed unless the assessee produces evidence of the fact of the payment of the aforesaid tax in that country.

3. The net amount of income calculated in accordance with rule 2 shall be increased by any expenditure incurred on account of commission, entertainment and advertisement, to the extent such expenditure, in the opinion of the Income-tax Officer, is excessive having regard to the circumstances of the case:

Provided that the previous authority of the Inspecting Assistant Commissioner is obtained for holding such expenditure to be excessive.

THE SECOND SCHEDULE

[*See* section 2(9)]

RULES FOR COMPUTING THE CAPITAL OF A COMPANY FOR THE PURPOSES OF SUPER PROFITS TAX

1. Subject to the other provisions contained in this Schedule, the capital of a company shall be the sum of the amounts, as on the first day of the previous year relevant to the assessment year, of its paid up share capital and of its reserve, if any, created under the proviso (b) to clause (vib) of sub-section (2) of section 10 of the Indian Income-tax Act, 1922 (11 of 1922) or under sub-section (3) of section 34 of the Income-tax Act, 1961 (43 of 1961), and of its other reserves in so far as the amounts credited to such other reserves have not been allowed in computing its profits for the purposes of the Indian Income-tax Act, 1922 (11 of 1922) or the Income-tax Act, 1961 (43 of 1961) diminished by the amount by which the cost to it of the assets the income from which in accordance with clause (iii) or clause (vi) or clause (viii) of rule 1 of the First

Schedule is not includible in its chargeable profits, exceeds the aggregate of—

(i) any money borrowed by it which remains outstanding; and

(ii) the amount of any fund, any surplus and any such reserve as is not to be taken into account in computing the capital under this rule.

Explanation 1.—A paid up share capital or reserve brought into existence by creating or increasing (by revaluation or otherwise) any book asset is not capital for computing the capital of a company for the purposes of this Act.

Explanation 2.—Any premium received in cash by the company on the issue of its shares standing to the credit of the share premium account shall be regarded as forming part of its paid up share capital.

Explanation 3.—Where a company has different previous years in respect of its income, profits and gains, the computation of capital under rule 1 and rule 2 of this Schedule shall be made with reference to the previous year which commenced first.

2. Where after the first day of the previous year relevant to the assessment year, the paid up share capital of a company is increased or reduced by any amount during that previous year, the capital computed in accordance with the rule 1 shall be increased or decreased, as the case may be, by a portion of that amount which is proportional to the portion of the previous year during which the increase or the reduction of the paid up share capital remained effective.

3. Where a part of the income, profits and gains of a company is not includible in its total income as computed under the Income-tax Act, its capital shall be the sum ascertained in accordance with rules 1 and 2, diminished by an amount which bears to that sum the same proportion as the amount of the aforesaid income, profits and gains bears to the total amount of its income, profits and gains.

THE THIRD SCHEDULE

(*See* section 4)

RATES OF SUPER PROFITS TAX

Super profits tax shall be charged on the amount by which the chargeable profits exceed the amount of the standard deduction, at the following rates, namely:—

(i) on an amount not exceeding four per cent. of the amount of capital as computed in accordance with the Second Schedule.	50%
(ii) on the balance	60%

AS PASSED BY LOK SABHA ON 30TH APRIL, 1963.

Bill No. 9-C of 1963

THE COMPULSORY DEPOSIT SCHEME ACT, 1963

AN

ACT

to provide in the interest of national economic development for compulsory deposit and for the framing of a scheme in relation thereto.

BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:—

1. **Short title, extent and commencement.**—(1) This Act may be called the Compulsory Deposit Scheme Act, 1963.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. **Persons to whom Act applies.**—This Act shall apply to the following categories of persons, namely:—

(a) persons liable to payment of land-revenue (whether known as land-revenue, rent, tax or by any other name) under any law with respect to land-revenue whether or not such persons are liable to pay tax under the Income-tax Act;

(b) persons liable to payment of tax under the Income-tax Act;

(c) holders of immovable properties situated in urban areas assessed to tax (whether known as property tax, house tax or by any other name) who are not liable to payment of tax under the Income-tax Act;

(d) employees of —

(i) the Central and State Governments.

(ii) local authorities,

(iii) companies as defined in section 3 of the Companies Act, 1956, including foreign companies within the meaning of section 591 and Government companies as defined in section 617 of that Act,

(iv) any other corporation (including a co-operative society) established by or under a Central, Provincial or State Act,

(v) individuals or associations of persons or bodies of individuals liable to payment of tax under the Income-tax Act, and entitled to deduct the salary paid to their employees for the purpose of computing their income under that Act,

whose annual income from salary is one thousand five hundred rupees or more and who are not liable to payment of tax under the Income-tax Act,

(e) dealers whose annual turnover, determined in accordance with the provisions of any State Act with respect to tax on the sale of goods, is fifteen thousand rupees or more and who are not liable to payment of tax under the Income-tax Act;

Provided that where by or under any such State Act any amount higher than fifteen thousand rupees has been fixed as the minimum annual turn over for the purpose of registration under that Act the reference to fifteen thousand rupees in this clause shall be construed as a reference to that amount.

Explanation.—In this clause,—

(a) "dealer" has the same meaning as in the respective State Acts with respect to tax on the sale of goods;

(b) "State Act" includes a Provincial Act;

(f) such other categories of persons [than those referred to in clauses (a) to (e)] whose annual income is one thousand five hundred rupees or more and who are not liable to payment of tax under the Income-tax Act, as may be specified by the Central Government by notification in the Official Gazette.

3. **Definitions.**—In this Act, unless the context otherwise requires,—

(a) "additional surcharge" means additional surcharge for the purposes of the Union referred to in the annual Finance Act;

(b) "deposit" means a deposit of money;

(c) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961);

(d) "person" shall have the same meaning as in clause (31) of section 2 of the Income-tax Act;

(e) "salary" has the same meaning as in section 17 of the income-tax Act, but in relation to a person falling under clause (d) of section 2 does not include any gratuity or annuity or pension;

(f) "urban area" means any area within the local limits of a municipality (by whatever name called), a notified area committee, a town area committee, a city and town committee, a small town committee, a Cantonment Board or a Panchayat constituted by reorganisation of any of the aforesaid local authorities and having a population of ten thousand or more;

(g) "year" means the financial year.

4. **Requirement as to compulsory deposit.**—(1) As from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, every person to whom this Act applies, other than a person falling under clause (b) of section 2, shall make a compulsory deposit at such rate as may be provided for in a scheme framed under this Act:

Provided that different notifications may be issued under this sub-section on different dates in relation to different categories of persons:

Provided further that the rate of compulsory deposit shall not exceed the maximum rate specified in sub-section (2).

(2) The maximum rate of deposit shall be—

(a) in the case of a person falling under clause (a) of section 2, fifty per cent. of the land-revenue (including surcharge thereon, if

any), payable in respect of the land or lands held by him in the year for which the deposit is required to be made.

Explanation.—In this clause "year" means the year with reference to which land-revenue is payable under any law with respect to land-revenue;

(b) in the case of a person falling under clause (c) of that section, three per cent. of the annual rental value of the property with reference to which the property is assessed to the tax referred to in that clause in the year in which the deposit is required to be made:

Provided that where the property is assessed to such tax not with reference to its annual rental value, the maximum rate of deposit under this clause shall be twelve and a half per cent. of such tax;

(c) in the case of a person falling under clause (d) of that section, three per cent. of his annual income from salary;

(d) in the case of a person falling under clause (e) of that section, one-third of one per cent. of his turnover during the year immediately preceding the year in which the deposit is required to be made;

(e) in the case of a person falling under clause (f) of that section, a sum of sixty rupees per annum.

(3) A person falling under clause (b) of section 2 by whom any additional surcharge is payable in respect of any assessment year may make a deposit under this Act in respect of that year and if he does so, then, he shall, on production of proof before the income-tax officer concerned of the fact of such deposit having been made, be entitled to deduction from the additional surcharge of a sum which shall be equal to—

(a) the sum so deposited, or

(b) (i) where his residual income is six thousand rupees or less, three per cent. of such residual income, or

(ii) where his residual income exceeds six thousand rupees, three per cent. of the first six thousand rupees of such residual income and two per cent. of the balance thereof,

whichever is less.

Explanation.—In this sub-section "residual income" has the same meaning as in section 2 of the Finance Act, 1963 (13 of 1963).

(4) Any person falling under clause (b) of section 2 who is in receipt of any income under the head "Salaries" during any financial year may make a deposit under this Act in that year and if he does so, then, notwithstanding anything in the Income-tax Act, the person responsible for paying that income shall, on production of proof of the fact of such deposit having been made, reduce the amount of additional surcharge included in the tax to be deducted in accordance with the provisions of section 192 of that Act by a sum which shall be equal to—

(a) the sum so deposited, or

(b) the sum calculated in accordance with clause (b) of sub-section (3),

whichever is less.

(5) Any person falling under clause (b) of section 2 who is liable to pay advance tax under the Income-tax Act in any financial year may make a deposit under this Act in that year and if he does so, then notwithstanding anything contained in the Income-tax Act, he shall, on production of proof before the income-tax officer concerned of the fact of such deposit having been made, be entitled to deduction from the additional surcharge included in the advance tax, of a sum which shall be equal to—

(a) the sum so deposited, or

(b) the sum calculated in accordance with clause (b) of sub-section (3),

whichever is less.

Explanation.—In this sub-section "Advance tax" shall have the same meaning as in section 207 of the Income-tax Act.

(6) Where a person falling under clause (d) of section 2 pays in any year any sum,—

(i) to effect or to keep in force any insurance on the life of such person or on the life of the wife or husband of such person; or

(ii) as a contribution to any provident fund to which the Provident Funds Act, 1925 (19 of 1925), applies or to any "recognised provident fund" as defined in clause (38) of section 2 of the Income-tax Act; or

(iii) in a ten-year account or a fifteen-year account under the Post Office Savings Bank (Cumulative Time Deposit) Rules, 1959, as amended from time to time,

he shall not be liable to make any compulsory deposit under this section for that year if such sum is not less than eleven per cent. of his annual income from salary.

(7) Where any person falls under any two or more categories referred to in section 2 other than the category referred to in clause (b) of that section, then, he shall make a compulsory deposit at the rate applicable to each of those categories.

(8) Any deposit made under this section shall bear simple interest at the rate of four per cent. per annum to be calculated from the first day of the month immediately following the month in which the deposit is made to the last day of the month immediately preceding the month in which it is repaid (both days inclusive) and notwithstanding anything in the Income-tax Act, the amount of such interest shall be free of any tax under that Act.

(9) Any deposit made under this section during any year shall be repayable with interest thereon at any time after the expiry of five years from the end of the year in which the deposit has been made:

Provided that nothing in this sub-section shall prevent earlier repayment of any deposit with interest thereon in any case in which the authority empowered to make such repayment is satisfied that genuine hardship will be caused unless such repayment is made.

(10) If any doubt or dispute arises as to the amount to be deposited by any person under this Act or as to the date on which such amount is to be deposited or as to any other matter in relation to any deposit to

be made under this Act, the decision thereon of the Government or any authority empowered by the Government in this behalf shall be final.

5. **Compulsory Deposit Scheme.**—(1) The Central Government shall, by notification in the Official Gazette, frame one or more scheme or schemes to be called Compulsory Deposit Scheme or Schemes in relation to deposits under this Act.

(2) A scheme framed under sub-section (1) may provide for,—

(a) the rates at which and the period for which compulsory deposits shall be made by the several categories of persons to whom this Act applies and the extension of such period.

(b) the manner (including the Deduction of deposits at source) in which and the intervals at which such deposits shall be made;

(c) the documents to be issued to persons by whom deposits have been made as evidence of such deposits;

(d) the authority or authorities by or through whom deposits may be collected or by whom penalties for failure to make deposits may be levied;

(e) the accounts to be maintained with respect to such deposits and the officers by whom such accounts shall be maintained;

(f) the nomination of any person to receive the amount standing to the credit of a depositor in the event of his death and the cancellation or change of such nomination;

(g) the issue of duplicate of any document issued as evidence of any deposit in the event of loss or destruction of the original and the fee on the payment of which such duplicate may be issued;

(h) the exemptions, if any, to be granted in exercise of the powers under section 9;

(i) the delegation of powers in pursuance of section 10;

(j) the repayment and withdrawal of deposits with interest thereon and the conditions, if any, under which such repayment or withdrawal may be made;

(k) any other matter which may be necessary or proper for the effective implementation of the Scheme.

(3) A scheme framed under this section may provide that all or any of its provisions shall take effect either prospectively or retrospectively on such date as may be specified in this behalf in the Scheme.

(4) Any scheme framed under this section shall have effect notwithstanding anything contained in any law for the time being in force, other than this Act, or in any instrument having effect by virtue of any law other than this Act.

6. **Modification of Scheme.**—The Central Government may, by notification in the Official Gazettee, add to, amend or vary any scheme framed under this Act.

7. **Rounding off.**—Where the amount of any deposit to be made under this Act contains a part of a rupee, then, if such part is fifty naye paise or more, it shall be increased to one complete rupee and if such part is less than fifty naye paise, it shall be ignored.

8. **Power to suspend, reduce or remit the amount of compulsory deposit.**—Where the State Government has suspended payment of land-revenue, or reduced or remitted the amount of land-revenue, payable in any year in respect of any land, then, the Central Government may, by order, suspend payment of the compulsory deposit, or reduce or remit the amount of such deposit payable in that year under section 4 by a person falling under clause (a) of section 2.

9. **Power to exempt.**—Where the Central Government is of the opinion that it is necessary or expedient so to do, either in the public interest or having regard to the peculiar circumstances of any case, it may, by notification in the Official Gazette and subject to such conditions, if any, as it may specify in the notification,—

(a) exempt any person or class of persons from the operation of all or any of the provisions of this Act; and

(b) cancel any such notification and again subject, by a like notification, the person or class of persons to the operation of such provisions.

10. **Power to delegate.**—The Central Government may, by notification in the Official Gazette, direct that any power which may be exercised by it under this Act, other than the power under section 5 or the power under this section, shall, subject to such restrictions and conditions, if any, as it may specify in the notification, be exercised also by—

(a) such officer or authority subordinate to the Central Government, or

(b) such State Government or such officer or authority subordinate to a State Government, or

(c) such other officer or authority,

as may be specified in the notification.

11. **Protection against attachment.**—(1) The amount standing to the credit of any depositor shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the depositor.

(2) Any amount standing to the credit of a depositor at the time of his death and payable to his nominee under a scheme shall vest in the nominee and shall be free from any debt or other liability incurred by the deceased or incurred by the nominee before the death of the depositor.

12. **Penalty for failure to make deposit.**—(1) If any person who is liable to make a deposit under this Act fails to make the same within the time specified therefor, he shall be liable to pay by way of penalty an amount not exceeding half the amount of deposit which he is liable to make:

Provided that before levying any such penalty such person shall be given a reasonable opportunity of being heard in respect of the same.

(2) Where any person is responsible for paying any income falling under the head "Salaries" as mentioned in the Income-tax Act, then, notwithstanding anything in that Act, in computing the total income of that person under that Act for any assessment year commencing on or after the 1st day of April, 1964, no deduction shall be allowed in respect of payment of any income under that head which in the case

of any employee exceeds one thousand five hundred rupees but from which no tax is deductible under the heading "B—Deduction as source" in Chapter XVII of that Act unless a sum equal to the amount which such employee is required to deposit under this Act is deducted from such income at source and is deposited in accordance with the provisions of this Act and the Scheme framed thereunder.

13. **Recovery of arrears of deposit and Penalty.**—Any arrear of deposit and any penalty for failure to make such deposit under this Act shall be recoverable in the same manner as an arrear of land-revenue.

14. **Protection of action taken in good faith.**—No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any scheme framed thereunder.

15. **Power to remove difficulties.**—If any difficulty arises in giving effect to the provisions of this Act or of any scheme framed thereunder, the Central Government may, by order, as occasion requires, do anything (not inconsistent with this Act) which appears to it to be necessary for removing the difficulty.

16. **Scheme to be laid before the Houses of Parliament.**—Any scheme framed under this Act shall be laid, as soon as may be, after it is framed before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of that session in which it is so laid or the session or sessions immediately following both Houses agree in making any modification in any provision of the scheme or both Houses agree that any provision in the scheme should not be made, the provision of the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that provision.

LOK SABHA

AN

ACT

to provide in the interest of national economic development for compulsory deposit and for the framing of a scheme in relation thereto.

(As passed by Lok Sabha)

MINISTRY OF FINANCE

(Department of Economic Affairs)

RESOLUTION

New Delhi, the 16th August 1963

No. F.3(50)-B/63.—The annual financial statement for 1963-64 as presented to the Parliament on the 28th February, 1963 is now published in its final form for general information.

2. As a result of the modification in the Finance Bill and the Super Profits Tax Bill accepted by Parliament, the Central revenue will be reduced by Rs. 15,45,00,000 as detailed below:—

	Rs.
Customs	(—) 7,39,00,000
Union Excise Duties	(—) 3,06,00,000
Corporation Tax	(—) 5,00,00,000
	(—) 15,45,00,000

3. The Demands for Grants for the year 1963-64 were voted without modification.

4. The deficit on revenue account will thus stand at Rs. 16,22,41,000.

GOVERNMENT OF INDIA

BUDGET

of the

CENTRAL GOVERNMENT

for

1963-64

(As finally adopted)

MINISTRY OF FINANCE,
New Delhi, the 16th August, 1963

L. K. JHA.
Secretary to the Government of India.

I—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

(In thousands of Rupees)

	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I. CONSOLIDATED FUND OF INDIA—					
REVENUE RECEIPTS—					
Taxes, Duties and other Principal Heads of Revenue—					
Customs . .	A	2,12,24,70	2,07,82,00	2,31,65,00	2,21,20,00 +80,00,00*
Union Excise Duties .	,,	4,89,31,33	5,22,02,00	5,53,68,86	5,83,95,90 +1,03,55,00
Corporation Tax . .	,,	1,56,46,30	1,78,45,00	1,87,50,00	1,96,00,00 +26,00,00*
Taxes on Income other than Corporation Tax.	,,	71,54,52	68,65,00	77,23,00	81,05,00 +39,00,00*
Estate Duty . . .	,,	33,00	12,04	11,91	11,96
Taxes on Wealth . .	,,	8,25,80	9,00,00	9,00,00	9,00,00 +40,00*
Expenditure Tax . .	,,	83,74	10,00	20,00	9,50
Gift Tax . . .	,,	1,00,66	85,00	95,00	95,00
Other Heads . . .	,,	16,01,89	15,83,06	18,75,15	18,36,66 +1,50,00*
TOTAL—TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE .		9,56,01,94	10,02,84,10	10,78,08,92	11,10,74,02 +2,50,45,00
Debt Services . .	,,	12,22,37	1,67,51,23	1,76,49,20	2,17,05,05
Administrative Services .	,,	83,74	6,10,88	6,75,35	6,76,41
Social and Developmental Services . . .	,,	46,49,72	35,29,24	43,36,92	31,60,55
Multi-purpose River Schemes, Irrigation and Electricity Schemes .	,,	56	36,09	38,89	45,03
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements .	,,	3,86,56	4,02,10	4,11,29	4,38,10
Transport and Communications (other than Roads) . .	,,	2,58,54	6,29,62	6,66,70	7,46,32
Currency and Mint .	,,	54,43,58	69,53,07	70,56,21	73,67,71
Miscellaneous. . .	,,	24,99,41	24,55,85	25,61,89	24,93,05
Contributions and Miscellaneous Adjustments (other than contributions from Railways and P.&T.) .	,,	—12,22	2 58,39	3,73,84	2,40,45
Contribution from Railways . . .	,,	20,66,12	21,03,60	20,70,63	24,15,33
Contribution from Posts and Telegraphs .	,,	77,27	78,66	75,51	1,10,70
Extraordinary Items .	,,	13,95,89	40,00,00	63,00,00	81,00,00
TOTAL—REVENUE RECEIPTS . . .		11,36,73,48	13,80,92,83	15,00,25,35	15,85,72,72 +2,50,45,00*
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT . . .		..	72,08	22,05,73	16,22,41
TOTAL . . .		11,36,73,48	13,81,64,91	15,22,31,08	

*Effect of Budget proposals. Ignores the effect of changes in the Postal rates and in the rates of premium under the Emergency Risk (Goods & Factories) Insurance Scheme.

†Excludes a sum of Rs. 8·83 crores being the share of Union Excise Duties payable to States which has been taken in reduction of Revenue.

NOTE.—The Accounts for 1961-62 have not been finally closed and the actuals given here are only provisional.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
EXPENDITURE MET FROM REVENUE—					
Collection of Taxes, Duties and other Principal Revenues .	B	21,16,31	22,58,39	23,06,98	23,83,00
Debt Services . .	,,	82,85,05	2,47,90,13	2,46,02,93	2,80,24,05
Administrative Services .	,,	59,17,42	70,30,87	76,39,02	88,28,22
Social and Developmental Services . .	,,	1,49,89,36	1,63,24,59	1,57,26,42	1,55,39,86
Multipurpose River Schemes, Irrigation and Electricity Schemes	,,	1,10,10	1,56,93	77,75	1,95,57
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements .	,,	19,25,90	21,87,75	23,70,67	20,93,99
Transport and Communications (other than Roads) . . .	,,	6,03,83	8,74,80	8,75,32	9,78,69
Currency and Mint . .	,,	11,68,91	20,22,96	22,95,51	17,24,50
Miscellaneous . .	,,	78,73,16	1,09,44,72	1,08,44,12	1,10,98,56
Contributions and Miscellaneous Adjustments . . .	,,	2,78,65,56	3,30,96,82	3,38,50,26	3,49,03,96
Extraordinary Items .		13,78,62	41,40,28	64,60,66	86,18,73
Defence Services (*a*)		2,89,53,90	3,43,36,67	4,51,81,44	7,08,51,00
TOTAL—EXPENDITURE MET FROM REVENUE . .		10,11,88,12	13,81,64,91	15,22,31,08	18,52,40,13
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS . . .		1,24,85,36	..	..	..
TOTAL . .		11,36,73,48	13,81,64,91	15,22,31,08	18,52,40,13

(*a*) Figures shown net; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II—GENERAL STATEMENT OF THE RECEIPTS

(In thousands of Rupees

RECEIPTS	For details *vide* Statem nt	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
Revenue Surplus (as shown in Part I) .		1,24,85,36	..	..	..
Capital Accounts not met from Revenue .		—2	..	..	..
Permanent Debt (net .	C	3,67,34,83	4,88,07,41	4,88,15,77	6,13,36,33
Floating Debt (net) .	,,	72,13,50	89,02,14	1,93,45,00	1,81,02,14
Loans and Advances by the Central Government (net) . .	,,	..	..	..	..
Inter-State Settlement (net) . . .	,,	..	..	1,75,79	..
TOTAL—I—CONSOLIDATED FUND OF INDIA . .	,,	5,64,33,67	5,77,09,55	6,83,36,56	8,12,38,47
II.—CONTINGENCY FUND OF INDIA .	C	75	..	..	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt (net) .	C	1,81,78,24	2,33,15,52	1,89,44,55	2,41,71,67 +25,00,00*
Depreciation and other Reserve Funds (net) .	,,	..	16,27,42	10,16,50	36,37,80
Appropriation for Reduction or Avoidance of Debt . . .	,,	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net) . .	,,	1,05,49,39	1,63,74,76	2,17,32,04	2,25,63,52 —3,00,00*
Remittances (net) .	,,	..	95,00	9,49,62	9,37,21
Transfer of Cash between England and India (net) . .	,,	..	..	..	..
TOTAL III—PUBLIC ACCOUNT . .	,,	2,92,27,63	4,19,12,70	4,31,42,71	5,18,10,20 +22,00,00
TOTAL—RECEIPTS .		8,56,62,05	9,96,22,25	11,14,79,27	13,52,48,67
OPENING BALANCE . .	C	45,21,54	49,92,34	49,39,87	50,62,05
TOTAL .		9,01,83,59	10,46,14,59	11,64,19,14	14,03,10,72

*Effect of Budget proposal.

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(In thousands of rupees)

DISBURSEMENTS	For details *vide* Statement	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—					
Revenue Deficit (as shown in Part I) .	C	..	72,08	22,05,73	16,22,41
Capital Accounts not met from Revenue .	,,	4,36,33,26	6,52,45,19	6,72,84,62	8,87,37,03
Permanent Debt (net) .	,,	..	..	..	..
Floating Debt (net) .	,,	..	..	..	..
Loans and Advances by the Central Government (net) . .	,,	3,87,37,79	3,43,62,94	4,18,66,74	4,48,48,96
Inter-State Settlement (net) . . .	,,	1,79,13	12	..	90,41
TOTAL—I.—CONSOLIDATED FUND OF INDIA .	,,	8,25,50,18	9,96,80,33	11,13,57,09	13,52,98,81
II.—CONTINGENCY FUND OF INDIA	C	4	..	..	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt (net) .	,,	..	..	..	..
Depreciation and other Reserve Funds (net)	,,	1,84,32	..	..	..
Other Deposits and Advances (net) . .	,,	..	..	..	..
Remittances (net) .	,,	25,07,21	..	..	..
Transfer of Cash between England and India (net) . .	,,	1,97	..	..	..
Reserve Bank Deposits (net)	,,	..	..	..	..
TOTAL—III—PUBLIC ACCOUNT . . .		26,93,50	..	..	..
TOTAL—DISBURSEMENTS		8,52,43,72	9,96,80,33	11,13,57,09	13,52,98,81
CLOSING BALANCE . .	C	49,39,87	49,34,26	50,62,05	50,11,91
TOTAL . .		9,01,83,59	10,46,14,59	11,64,19,14	14,03,10,72

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—						
TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE—						
I.—Customs . .	2,12,24,70	2,07,82,00	2,31,65,00	+23,83,00	3,01,20,00	+69,55,00
II.—Union Excise Duties . .	4,89,31,33	5,22,02,00	5,53,68,86	+31,66,86	6,87,50,90	+133,82,04
III.—Corporation Tax	1,56,46,30	1,78,45,00	1,87,50,00	+9,05,00	2,22,00,00	+34,50,00
IV.—Taxes on Incomes other than Corporation Tax .	71,54,52	68,65,00	77,23,00	+8,58,00	1,20,05,00	+42,82,00
V.—Estate Duty .	33,00	12,04	11,91	—13	11,96	+5
V-A./VI—Taxes on Wealth . .	8,25,80	9,00,00	9,00,00	..	9,40,00	+40,00
V-C/VII.—Expenditure Tax . .	83,74	10,00	20,00	+10,00	9,50	—10,50
V-D/VIII.—Gift Tax .	1,00,66	85,00	95,00	+10,00	95,00	..
VII/IX.—Land Revenue	56,36	67,26	69,11	+1,85	69,78	+67
VIII/X.—State Excise Duties . .	2,01,75	1,82,07	1,52,32	+33,25	1,56,61	—58,71
XII/XI.—Taxes on vehicles . .	59,71	64,32	69,73	+5,41	1,09,78	+40,05
XII-A/XII.—Sales Tax	5,99,48	5,81,15	6,62,52	+81,37	8,67,70	+2,05,10
XIII.—Other Taxes and Duties .	2,79,66	2,70,49	2,94,03	+14,54	2,96,09	+2,06
IX/XIV.—Stamps .	3,92,50	3,95,08	4,49,76	+54,68	4,70,25	+20,49
XI/XV.—Registration Fees . . .	12,43	13,69	14,68	+99	16,45	+1,77
TOTAL—TAXES, DUTIES AND OTHER PRINCIPAL HEADS OF REVENUE . . .	9,56,01,94	10,02,84,10	10,78,08,92	+75,24,82	13,61,19,02	+2,83,10,10
DEBT SERVICES—						
XX/XVI.—Interest—						
Interest from State Governments .	..	80,00,00	90,00,00	+10,00,00	1,00,00,00	+10,00,00
Interest from Railways . . .	..	60,81,74	60,52,66	—29,08	68,95,53	+8,42,87
Interest from Posts and Telegraphs .	..	4,78,52	4,77,76	—76	5,71,67	+93,91
Interest from other Commercial Departments . . .	..	86,63	21,18,78	—72,19	42,37,85	+21,19,07
Other Interest Receipts . .	12,22,37	21,04,34				
TOTAL—DEBT SERVICES	12,22,37	1,67,51,23	1,76,49,20	+8,97,97	2,17,05,05	+40,55,85
Carried Over .	9,68,24,31	11,70,35,33	12,54,58,12	+84,22,79	15,78,24,07	+3,23,65,95

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA —*contd.*						
Brought forward	9,68,24,31	11,70,35,33	12,54,58,12	+84,22,79	15,78,24,07	3,23,65,95
ADMINISTRATIVE SERVICES—						
XXI/XVII.—Administration of Justice	25,49	24,19	26,64	+2,45	26,52	—12
XXII/XVIII,—Jails	2,30	1,38	2,63	+1,25	2,85	+22
XXIII/XIX.—Police	55,95	73,46	79,49	+6,03	43,96	—35,53
XX.—Supplies and Disposals	..	3,51,50	3,62,24	+10,74	3,99,88	+37,64
XXI.—Miscellaneous Departments	..	1,60,35	,04,35	+44,00	2,03,20	—1,15
tTOTAL—ADMINISTRATIVE SERVICES	83,74	6,10,88	6,75,35	+64,47	6,76,41	+1,06
SOCIAL AND DEVELOPMENTAL SERVICES—						
XXVI/XXII.--Education	83,30	49,97	61,91	+11,94	63,06	+1,15
XXVI/XXIII.—Medical	79,21	70,91	58,70	—12,21	53,59	—5,11
XXVIII/XXIV.—Public Health	41,38	19,70	21,61	+1,91	19,99	—1,62
XXIX/XXV.—Agriculture	1,34,35	1,58,77	1,47,12	—11,65	1,68,11	+20,99
XXIX A/XXVI.—Rural Development	1,38	30	37	+7	35	—2
XXX/XXVII.—Animal Husbandry	32,89	24,29	32,95	+8,66	29,79	—3,16
XXXI/XXVIII.—Co-operation	5,09	2,34	4,13	+1,79	2,39	—1,74
XXXII.—Industries and Supplies/XXIX—Industries	33,52,88	25,52,64	30,96,45	+5,43,81	19,53,19	—11,43,26
XXXIV/XXX.—Broadcasting	4,07,17	3,59,02	4,09,55	+50,53	4,15,98	+6,43
XXXVI-A/XXXI.—Community Development Projects, National Extension Service and Local Development Works	3,59	3,00	5,27	+2,27	5,18	—9
XXXVI.—Miscellaneous Departments/XXXII —Miscellaneous Social and Developmental Organisations	5,08,48	2,88,30	4,98,86	+2,10,56	4,48,92	—49,94
TOTAL—SOCIAL AND DEVELOPMENTAL SERVICES	46,49,72	35,29,74	43,36,92	+8,07,68	31,60,55	—11,76,37
Carried Over	10,15,57,77	12,11,75,45	13,04,70,39	+92,94,94	16,16,61,03	+3,11,90,64

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budge 1962-6	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA —*contd.*						
Brought Forward	10,15,57,77	12,11,75,45	13,04,70,39	+92,94,94	16,16,61,03	+3,11,90,64
MULTI-PURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES—						
XL-A/XXXIII.—Multipurpose River Schemes . .	9,18	1,66	3,15	+1,49	3,15	..
XVII/XXXIV.—Irrigation. Navigation, Embankment and Drainage Works (Commercial) .	..	..	..	..	..	..
XVIII/XXXV.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial) .	16	..	35	+35	8	—27
XLI.—Receipts from Electricity Schemes/ XXXVI—Electricity Schemes-Gross Receipt	24,60	34,43	35,39	+96	41,80	+6,41
Deduct—Working Expenses . .	33,38	..	..	..	..	..
NET RECEIPTS— Electricity Schemes	8,78	34,43	35,39	+96	41,80	+6,41
TOTAL—MULTI-PURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES . .	56	36,09	38,89	+2,80	45,03	+6,14
Carried Over . .	10,15,58,33	12,12,11,54	13,05,0928	+92,97,74	16,17,06,06	+3,11,9678

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+)Decrease (—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease (—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward	10,15,58,33	12,12,11,54	13,05,09,28	+92,97,74	16,17,06,06	+3,11,96,78
PUBLIC WORKS (INCLUDING ROADS) AND SCHEMES OF MISCELLANEOUS PUBLIC IMPROVEMENTS—						
XXXIX.—Civil Works/ XXXVII.—Public Works	3,86,56	4,02,10	4,11,29	+9,19	4,38,10	+26,81
TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)—						
XXIV/XXXIX.—Ports and Pilotage	33,41	34,02	38,17	+4,15	48.17	+10,00
XXIV-A/XL.—Mercantile Marine	8,87	8,72	9,21	+49	9,24	+3
XXV/XLI.—Lighthouses and Lightships	91,70	97,04	95,87	—1,17	1,10,41	+14,54
XXXIII/XLII.—Aviation	1,29,09	1,14,01	1,17,51	+3,50	1,17,29	—22
XLVI-A—Receipts from Road and Water Transport Schemes/ XLIII.—Road and Water Transport Schemes						
Gross Receipts	1,09,45	1,35,53	1,40,89	+5,36	1,60,91	+20,02
Deduct—Working Expenses	—1,13,98	..	..	..	..	..
NET RECEIPTS	—4,53	1,35,53	1,40,89	+5,36	1,60,91	+20,02
XLIV.—Overseas Communications Service	..	2,40,30	2,65,05	+24,75	3,00,30	+35,25
TOTAL—TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)	2,58,54	6,29,62	6,66,70	+37,08	7,46,32	+79,62
CARRIED OVER	10,22,03,43	12,22,43,26	13,15,87,27	+93,44,01	16,78,90,48	+3,13,03,21

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward	10,22,03,43	12,22,43,26	13,15,87,27	+93,44,01	16,28,90,48	+3,13,03,21
CURRENCY AND MINT—						
XXXVII.—Currency/XLV.—Currency and Coinage	46,30,14	69,38,41	69,54,99	+16,58	71,04,27	+1,49,28
XXXVIII/XLVI.—Mint	8,13,44	14,66	21,20	+6,54	22,09	+89
XLVI-A—Kolar Gold Mines	..	..	80,02	+80,02	2,41,35	+1,61,33
TOTAL—CURRENCY AND MINT	54,43,58	69,53,07	70,56,21	+1,03,14	73,67,71	+3,11,50
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation/XLVIII.—Contributions and Recoveries towards Pensions and Other Retirement benefits	1,46,00	68,36	1,10,16	+41,80	96,57	—13,59
XLV/XLIX.—Stationery and Printing	64,39	1,12,72	69,74	—[illegible]	76,48	+6,74
VI/L.—Opium	4,99,52	5,01,15	4,23,97	—77,18	4,50,98	+27,01
X/LI.—Forest	4,24,84	3,97,08	4,62,78	+65,70	4,82,39	+19,61
XLVI/LII.—Miscellaneous	13,64,66	13,76,54	14,[illegible]5,24	+[illegible],70	13,86,63	—1,08,61
TOTAL—MISCELLANEOUS	24,99,41	24,55,85	25,[illegible]1,89	+1,06,04	24,93,05	—68,84
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS—						
XLV-A/LIII.—Contribution from Railways	20,66,12	21,03,60	20,70,63	—32,97	24,15,33	+3,44,70
XLV-B/LIV.—Contribution from Posts and Telegraphs	77,27	78,66	75,51	—3,15	1,10,70	+35,19
L/LVII.—Miscellaneous Adjustments between Central and State Governments	—12,22	..	..	..	..	..
LVIII.—Dividends etc. from Commercial and other Undertakings	..	2,58,39	3,73,84	+1,15,45	2,40,45	—1,33,39
LIX.—Other Miscellaneous Contributions and Assignments	..	..	..	..	..	..
TOTAL—CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS	21,31,17	24,40,65	25,19,98	+79,33	27,66,48	+2,46,50
CARRIED OVER	11,22,77,59	13,40,92,83	14,37,25,35	+96,32,52	17,55,17,72	+3,17,92,37

A—STATEMENT OF THE REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	11,22,77,59	13,40,92,83	14,37,25,35	+96,32,52	17,55,17,72	+3,17,92,37
EXTRAORDINARY ITEMS—						
LI/LX—EXTRAORDINARY RECEIPTS . .	13,95,76	40,00,00	54,00,00	—14,00,00	45,00,00	—9,00,00
LII-C/LXI.—Prepartition Receipts . .	13	..		..		..
LXI-A Receipts connected with the National Emergency	..	..	9,00,00	+9,00,00	36,00,00	+27,00,00
TOTAL—EXTRAORDINARY ITEMS .	13,95,89	40,00,00	63,00,00	+23,00,00	81,00,00	+18,00,00
DEFENCE SERVICES—						
XLVII/LXII—Defence Services—Effective .	21,96,60	15,47,79	17,27,53	+1,79,74	17,06,85	—20,86
XLVIII/LXIII.—Defence Services—Non-effective . . .	28,40	18,90	43,26	+24,36	52,55	+9,29
TOTAL—DEFENCE SERVICES . . .	22,25,00	15,66,69	17,70,79	+2,04,10	17,59,40	—11,39
POSTS AND TELEGRAPHS						
XIX/LXIX.—Posts and Telegraphs (Gross Receipts) . .	87,88,81	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
Deduct—Working Expenses . . .	—70,55,53	..	..	..	..	..
NET RECEIPTS—POSTS AND TELEGRAPHS .	17,33,28	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
RAILWAYS—						
Railway Revenue as per Railway Budget .	1,12,63,10	5,45,55,26	5,50,39,23	+4,83,97	5,99,95,07	+49,55,84
TOTAL—REVENUE .	12,88,94,86	20,31,36,78	21,64,75,37	+133,38,59	25,61,23,19	+396,47,82
Excess of Expenditure over Revenue or Deficit . . .	..	72,08	22,05,73	..	16,22,41	..

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget stimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 196263
I.—CONSOLIDATED FUND OF IN IA—*contd.*						
COLLECTION OF TAXES, DUTIES AND OTHER PRINCIPAL REVENUES—						
1.—Customs . .	3,56,74	4,01,34	4,01,24	—10	4,18,03	+16,79
2.—Union Excise Duties . .	7,45,39	7,95,83	8,29,28	+33,45	8,53,51	+24,23
3.—Corporation Tax.	..	45,51	54,39	+8,88	56,84	+2,45
4.—Taxes on Income Other than Corporation Tax. . .	6,04,54	5,38,08	5,57,61	+19,63	5,91,31	+33,70
5.—Estate Duty .	20	8,94	8,87	—7	8,80	—7
5A/6.—Taxes on Wealth . .	..	25,48	29,13	+3,65	29,76	+63
5C/7.—Expenditure Tax . . .	..	2,91	65	—2,26	31	—34
5D/8—Gift Tax .	..	2,91	2,75	—16	2,81	+6
7/9.—Land Revenue .	70,76	80,79	66,73	—14,06	67,98	+1,25
8/10.—State Excise Duties . . .	48,99	41,67	33,06	—8,61	6,22	—26,84
12/11.—Taxes on Vehicles . . .	4,12	4,25	4,42	+17	4,80	+38
12-A/12.—Sales Tax	13,11	14,07	14,42	+35	14,58	+16
13.—Other Taxes and Duties . . .	16,89	19,77	27,99	+8,22	22,75	—5,24
9/14.—Stamps . .	2,53,30	2,74,40	2,74,18	—22	3,02,95	+28,77
11/15.—Registration Fees. . . .	2,27	2,44	2,26	—18	2,35	+9
TOTAL—COLLECTION OF TAXES, DUTIES AND OTHER PRINCIPAL REVENUES . .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02
DEBT SERVICES—						
22/16.—Interest on Debt and Other Obligations . .	2,09,44,27	2,42,90,13	2,41,02,93	—1,87,20	2,75,24,05	+34,21,12
Deduct—Interest transferred to—						
Railways .	55,21,48	..	..	..	..	..
Posts and Telegraphs .	4,20,29	..	..	..	..	..
State Governments .	68,74,55	..	..	..	..	..
Other heads .	3,42,90	..	..	..	..	..
TOTAL—TRANSFERS .	1,31,59,22	..	..	..	..	..
TOTAL—NET-INTEREST ON DEBT, ETC.—	77,85,05	2,42,90,13	2,41,02,93	—1,87,20	2,75,24,05	+34,21,12
	..	..	..	..	..	..
Carried Over						
Carried Over .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	21,16,31	22,58,39	23,06,98	+48,59	23,83,00	+76,02
Brought Forward .	77,85,05	2,42,90,13	2,41,02,93	—1,87,20	4,05	+34,21,12
23/17—Appropriation for Reduction or Avoidance of Debt. .	5,00,00	5,00,00	5,00,00	..	5,00,00	..
TOTAL—DEBT SERVICES	82,85,05	2,47,90,13	,46,02,93	—1,87,20	2,80,24,05	+34,21,12
ADMINISTRATIVE SERVICES— . . .						
. . /18.—Parliament and State Legislatures .	..	3,11,68	3,08,97	— ,71	3,88,12	—20,85
25/19.—General Administraton . .	19,22,48	18,32,38	18,46,69	+14,31	19,70,61	+1,23,92
26/20.—Audit . .	8,51,13	9,08,86	9,11,01	+2,15	9,70,91	+59,90
27/21.—Administration of Justice . .	54,06	58,69	61,48	+2,79	60,93	—55
28/22.—Jails . .	21,58	22,44	23,49	+1,05	25,56	+2,07
29/23.—Police . .	18,76,41	19,37,34	25,62,10	+24,76	3,52,82	+7,90,72
35/29-A/24.—External Affairs . . .	11,91,76	12,97,52	12,70,80	—26,72	15,17,12	+2,46,32
34/. .—Tribal Areas .	..	..	..	..	..	..
. . /25.—Supplies and Disposals . .	..	3,17,53	3,14,93	—2,60	3,21,18	+6,25
. . /26.—Miscellaneous Departments . .	..	3,44,43	3,39,55	—4,88	3,20,97	—18,58
TOTAL—ADMINSTRATIVE SERVICES . .	59,17,42	70,30,87	76,39,02	+6,08,15	88,28,22	+11,89,20
CARRIED OVER . .	1,63,19,78	3,40,79,39	3,45,48,93	+4,69,54	3,92,35,27	+46,86,34

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousnds of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward	1,63,18,78	3,40,79,	3,45,48,93	+4,69,54	3,92,35,27	+46,86,34
SOCIAL AND DEVELOPMENTAL SERVICES— 36/27,—Scientific Departments . .	23,00,35	31,23,73	26,70,98	—4,52,75	30,14,31	+3,43,33
37/28.—Education .	26,00,65	32,09,69	30,01,22	—2,08,47	30,03,17	+1,95
38/29.—Medical . .	6,09,66	6,86,50	6,60,66	—25,84	7,70,01	+1,09,35
39/30.—Public Health .	3,81,30	5,44,68	4,65,66	—79,02	4,85,05	+19,39
40/31.—Agriculture .	7,57,17	9,24,11	8,48,24	—75,87	8,60,83	+12,59
40A/32.—Rural Development . . .	87	98	98	..	95	—3
41/33.—Animal Husbandry . . .	1,05,75	1,42,67	1,16,50	—26,17	1,26,58	+10,08
42/34.—Co-operation .	2,26,26	3,47,52	3,41,77	—5,75	3,90,52	+48,75
43.—Industries and Supplies/35—Industries . .	48,72,54	48,42,49	51,96,99	+3,54,50	43,35,41	—8,61,58
45/36.—Broadcasting .	4,38,89	5,01,53	4,54,32	—47,21	5,04,08	+49,76
47-A/37.—Community Development Projects National Extension Service and Local Development Works . . .	1,99,70	2,31,83	2,20,06	—11,17	1,91,84	—28,72
46/38.—Labour and Employment . .	4,79,99	5,94,66	5,41,64	—53,20	6,70,97	+1,29,33
47.—Miscellaneous Departments/39—Miscellaneous Social and Developmental Organisations	20,15,17	11,69,20	12,03,85	+34,65	11,80,86	—22,99
43-A/40—Capital Outlay on Industrial Development met from Revenue . . .	1,06	5,00	2,95	—2,05	5,18	+2,23
TOTAL—SOCIAL AND DEVELOPMENTAL SERVICES . .	1,49,89 36	1,63,24,59	1,57,26,42	—5,98,17	1,55,39,86	—1,86,56
CARRIED OVER . .	3,13,08,14	5,04,03,98	5,02 75 35	—1,28,63	5,47,75,13	+44,99,78

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+)Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward	3,13,08,14	5,04,03,98	5,02,75,35	—1,28,63	5,47,75,13	+44,99,78
MULTIPURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES—						
51-B.—Other Revenue Expenditure connected with Multi-purpose River Schemes						
42.—Multi-purpose River Schemes	69,38	64,27	59,80	—4,47	62,95	+3,15
17/43.—Irrigation, Navigation, Embankment and Drainage Works (Commercial)	..	..	..	..	..	..
18/44.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	13,29	22,44	16,35	—6,09	15,73	—62
52 & 52-A/45. Electricity Schemes	27,43	70,22	1,60	—68,62	1,16,89	+1,15,29
TOTAL—MULTI-PURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES	1,10,10	1,56,93	77,75	—79,18	1,95,57	+1,17,82
PUBLIC WORKS (INCLUDING ROADS) AND SCHEMES OF MISCELLANEOUS PUBLIC IMPROVEMENTS—						
50.—Civil Works/Public Works	19,25,90	21,87,75	23,70,67	+1,82,92	20,93,99	—2,76,68
TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)—						
30/53.—Ports and Pilotage	58,33	41,02	37,91	—3,11	33,57	—4,34
30-A/54.—Mercantile Marine	78,42	82,55	90,41	+7,86	98,65	+8,24
31/55.—Lighthouses and Lightships	91,03	97,04	95,87	—1,17	1,10,41	+14,54
44/56.—Aviation	3,76,05	3,71,22	3,70,13	—1 09	3,89,00	+18,87
../57.—Road and Water Transport Schemes	..	1,33,03	1,51,36	+18,23	2,07,32	+55,96
../58.—Overseas Communications Service	..	1,49,94	1,29,64	—20,30	1,39,74	+10,10
TOTAL—TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)	6,03,83	8,74,80	8,75,32	+52	9,78,69	+1,03,37
Carried Over	3,39,47,97	5,36,23,46	5,35,99,09	—24,37	5,80,43,38	+44,44,29

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease (—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	3,39,47,97	5,36,23,46	5,35,99,09	—24,37	5,80,43,38	+44,44,29
CURRENCY AND MINT—						
48.—Currency. /62.—Currency and Coinage	4,93,79	17,66,82	18,46,82	+80,00	9,14,09	+9,32,73
49/63—Mint	6,75,12	2,56,14	2,50,63	—5,51	2,52,27	+1,64
68-A-Kolar Gold Mines	..	..	1,98,06	+1,98,06	5,58,14	+3,60,08
TOTAL—CURRENCY AND MINT. .	11,68,91	20,22,96	22,95,51	+2,72,55	17,24,50	—5,71,01
MISCELLANEOUS—						
54.—Famine./64.—Famine Relief . .	6,34	3,08	2,99	—9	3,03	+4
55.—Superannuation Allowances and Pensions/65.— Pensions and Other Retirement benefits .	4,72,87	4,97,81	5,25,19	+27,38	5,31,47	+6,28
54-A/66.—Territorial and Political Pensions . . .	22,51	24,76	23,16	—1,60	22,92	—24
54-B/67.—Privy Purses and Allowances of Indian Rulers .	5,28,17	5,23,49	5,15,56	—7,93	5,13,39	—2,17
56/68.—Stationery and Printing . . .	3,73,40	3,50,21	3,77,10	+26,89	3,67,86	—9,24
6.—Opium/69.—Opium. . .	3,73,78	5,31,89	4,54,52	—77,37	3,02,33	—1,52,19
10/70.—Forest . .	3,85,84	4,32,32	4,00,98	—31,34	4,31,16	+30,18
57/71.—MISCELLANEOUS	67,10,25	85,81,16	85,44,62	—36,54	89,26,40	+3,81,78
TOTAL—MISCELLANEOUS. . . .	—78,73,16	1,09,44,72	1,08,44,12	—1,00,60	1,10,98,56	+2,54,44
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS—						
62-A/73.— Payments of States' share of Union Excise Duties . . .	80,64,71	1,14,36,37	1,24,91,33	+10,54,96	1,28,06,99	+3,15,66
1/74.—Grants-in-aid to State Governments	1,94,98,45	2,13,53,57	2,10,23,88	—3,29,69	2,17,54,76	+7,30,88
62/75.—Miscellaneous Adjustments between Central and State Governments .	22,96	25,45	26,56	+1,11	25,08	—1,48
62-B/76.—Other Miscellaneous Contributions and Assignments . . .	2,79,44	2,81,43	3,08,49	+27,06	3,17,13	+8,64
TOTAL— CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS . . .	2,78,65,56	3,30,96,82	3,38,50,26	+7,53,44	3,49,03,96	+10,53,70
Carried Over .	7,08,55,60	9,96,87,96	10,05,88,98	+9,01,02	10,57,70,40	+51,81,42

B—STATEMENT OF THE EXPENDITURE MET FROM REVENUE OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase (+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64	Increase (+) Decrease(—) as compared with Revised, 1962-63
I.—CONSOLIDATED FUND OF INDIA—*contd.*						
Brought Forward .	7,08,55,60	9,96,87,96	10,05,88,98	—9,01,02	10,57,70,40	+51,81,42
EXTRAORDINARY ITEMS						
63/77.— Extraordinary charges . . .	13,63,21	41,10,37	55,10,47	+14,00,10	46,65,73	—8,44,74
64-C/78.—Pre-partition Payments .	15,41	29,91	24,86	—5,05	22,17	—2,69
78-A.— Expenditure connected with the National Emergency	..	..	9,25,33	+9,25,33	39,30,83	+30,05,50
TOTAL — EXTRAORDINARY ITEMS . .	13,78,62	41,40,28	64,60,66	+23,20,38	86,18,73	+21,58,07
DEFENCE SERVICES—						
58/79—Defence Services — Effective—Army . . .	2,17,96,98	2,38,04,88	3,40,14,43	+1,02,09,55		
59/80.—Defence Services —Effective — Navy	20,61,30	20,06,42	20,45,73	+39,31	7,07,19,90	+2,58,68-17
60/81.— Defence Services— Effective — Air Force .	54,08,26	79,91,56	87,91,57	+8,00,01		
60-A/82—Defence Services—Non-effective	19,12,36	21,00,50	21,00,50	..	18,90,50	—2,10,00
TOTAL — DEFENCE SERVICES . . .	3,11,78,90	3,59,03,36	4,69,52,23	+1,10,48,87	7,26,10,40	+2,56,58,17
POSTS AND TELEGRAPHS—						
20 & 20-A/90—Posts & Telegraphs—Working Expenses .	..	75,30,00	82,99,50	+7,69,50	87,53,80	+4,54,30
Dividend to General Revenues .	4,97,56	5,57,18	5,53,27	—3,91	6,82,37	+1,29,10
Appropriations from P. & T. Surplus .	12,35,72	8,34,82	7,87,23	—47,59	13,14,83	+5,27,60
TOTAL — POSTS AND TELEGRAPHS . .	17,33,28	89,22,00	96,40,00	+7,18,00	1,07,51,00	+11,11,00
RAILWAYS—						
Railway Expenditure as per Railway Budget . . .	1,12,63,10	5,45,55,26	5,50,39,23	+4,83,97	5,99,95,07	+49,55,84
TOTAL — EXPENDITURE MET FROM REVENUE .	11,64,09,50	20,32,0886	21,86,81,10	+1,54,72,24	25,77,45,60	+3,90,64,50
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS . .	1,24,85,36	..	..	..	..	..

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Excess of Revenue over Expenditure (from Statement B) . .	1,24,85,36	..	..	..
Capital Accounts outside Revenue Account—LIV.— Sale Proceeds of American and Lease-Lend Surpluses	—2	..	..	..
PUBLIC DEBT—				
A.—Debt raised in India				
I.—PERMANENT DEBT—				
6½ per cent Gold Bonds, 1977 .	..	..	7,00,00	1,00,00
Other New Loans . . .	2,52,55,24	2,55,00,00	3,29,87,00	3,93,00,00
Annuity Certificates . . .	50,23	70,00	50,00	50,00
Five -year Interest-free Prize Bonds, 1965	3,46,65	5,00,00	1,08,00	..
Premium Prize Bonds, 1963 . .	..	..	3,92,00	6,00,00
TOTAL—PERMANENT DEBT .	2,56,52,12	2,60,70,00	3,42,37,00	4,00,50,00
II.—FLOATING DEBT—				
Treasury Bills . .	4,01,81,25	48,94,20,00	50,28,45,75	55,87,00,00
Other Items	3,45,00	3,45,00	3,45,00	3,45,00
TOTAL—FLOATING DEBT .	44,05,26,25	48,97,65,00	50,31,90,75	55,90,45,00
B.—*Debt raised outside India* . .	3,14,32,69	4,55,00,00	3,76,50,14	4,62,43,00
TOTAL—PUBLIC DEBT . .	49,76,11,06	56,13,35,00	57,50,77,89	64,53,38,00
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	1,33,91,34	1,63,19,70	1,70,99,44	1,94,86,99
Other Loans and Advances .	66,91,88	54,56,50	42,41,47	53,62,36
TOTAL— LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT . .	2,00,83,22	2,17,76,20	2,13,40,91	2,48,49,35
INTER-STATE SETTLEMENT .	3	..	1,75,91	..
TOTAL — I.—CONSOLIDATED FUND OF INDIA—RECEIPTS	53,01,79,65	58,31,11,20	59,65,94,71	67,01,87,35

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate 1963-64
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Excess of Expenditure over Revenue (from Statement A)	..	72,08	22,05,73	16,22,41
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
Security Printing Press	22,22	41,66	35,25	18,58
Improvement of Public Health	29,86	64,00	48,50	42,66
Agricultural Improvement and Research	5,22,86	6,25,20	4,46,39	2,94,54
Industrial Development	1,10,67,80	1,76,52,42	1,79,67,57	2,24,00,38
Broadcasting	1,11,59	1,40,00	1,51,51	1,75,00
Multi-purpose River Schemes	1,99,32	10,03,41	4,06,97	10,28,65
Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	7,05	34,50	51,37	39,86
Electricity Schemes	58,76	93,74	71,43	74,33
Civil Works/Public Works	36,70,39	57,02,00	55,70,79	68,11,21
Delhi Capital Outlay	4,92,85	8,25,00	7,81,00	7,38,00
Dandakaranya Development Scheme	4,47,27	3,91,00	4,75,00	3,46,00
Capital Outlay on Other Works	5,07,54	7,46,67	5,10,79	5,92,67
Ports	1,47,15	2,87,12	2,38,28	5,95,60
Lighthouses and Lightships	..	89,20	32,05	20,45
Civil Aviation/Aviation	3,01,40	4,09,38	3,15,12	3,65,95
Capital outlay on Rail Road Co-ordination Schemes	2,00	3,50	5,26	3,00
Road and Water Transport Schemes	42,08	41,36	1,16,46	1,29,00
Overseas Communications Service	..	48,16	46,79	39,92
Capital Outlay on Shipping, Tankers etc.	17,76	1,87,50	1,23,88	1,33,22
Currency and Coinage	6,66,81	6,73,57	13,37,69	11,54,44
Mints	3,38	6,47	6,30	18,52
Capital outlay on Kolar Gold Mines	..	..	21,72	3,35,00
Forests	8,53	14,31	11,28	9,93
Payments of Commuted Value of Pensions	—26,59	1,39,59	9,96	14,26
Capital Outlay on Sterling Pensions	—3,66,20	—3,69,86	—3,69,86	—3,73,56
Payments to Retrenched Personnel	..	..	..	
Schemes of Government Trading	2,23,96	28,68,78	12,65,64	49,69,28
Grants for Development	10,98,95	21,40,24	19,37,19	18,54,60
Compensation and Rehabilitation Grants to Displaced Persons	—1,93,23	—80,19	—4,44,69	—4,34,95
Transfer of Development Assistance from the Government of U.S.A.	58,85,88	63,28,35	83,31,11	61,55,32
Capital Outlay on Payments under Indus Waters Treaty	7,73,70	7,17,10	7,17,00	6,63,17
Defence Capital Outlay	22,94,86	32,63,00	52,75,37	1,58,72,00
Railway Capital (as shown in Railway Budget)	1,44,90,34	1,96,50,00	2,03,00,00	2,18,50,00
Posts and Telegraphs	11,24,97	15,08,01	14,91,50	28,00,00
TOTAL—CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT	4,36,33,26	6,52,45,19	6,72,84,62	8,87,37,03
Carried Over	4,36,33,26	6,53,17,27	6,94,90,35	9,03,59,44

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Brought Forward . . .	4,36,33,26	6,53,17,27	6,94,90,35	9,03,59,44
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT— .				
Annuity Certificates . . .	26,50	30,00	25,00	30,00
Other Items . . .	1,37,61,88	1,82,55,00	1,83,00,00	1,80,00,00
TOTAL—PERMANENT DEBT .	1,37,88,38	1,82,85,00	1,83,25,00	1,80,30,00
II.—FLOATING DEBT—				
Treasury Bills	43,33,12,75	48,05,20,00	48,38,45,75	54,06,00,00
Other Items	..	3,42,86	..	3,42,86
TOTAL—FLOATING DEBT . .	43,33,12,75	48,08,62,86	48,38,45,75	54,09,42,86
B.—Debt raised outside India . .	65,61,60	44,77,59	47,46,37	51,26,67
TOTAL—PUBLIC DEBT . .	45,36,62,73	50,36,25,45	59,69,17,12	56,40,99,53
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	4,43,46,53	4,40,35,21	5,00,20,60	5,29,14,10
Other Loans and Advances .	1,44,74,48	1,21,03,93	1,31,87,05	1,67,84,21
TOTAL—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT .	5,88,21,01	5,61,39,14	6,32,07,65	6,96,98,31
INTER STATE SETTLEMENT . .	1,79,16	12	12	90,41
TOTAL—I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS	55,62,96,16	62,50,81,98	63,96,15,24	72,42,47,69

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
RECEIPTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	75	..	..	..
TOTAL—II.—CONTINGENCY FUND OF INDIA—RECEIPTS .	75	..	..	..
DISBURSEMENTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Expenditure out of advances from the Contingency Fund of India .	4	..	..	..
TOTAL—II.—CONTINGENCY FUND OF INDIA—DISBURSEMENTS	4	..	..	..

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	2,17	2,20	2,10	2,04
Post Office Savings Bank Deposits	2,51,54,65	2,70,00,00	2,55,00,00	2,67,00,00
Compulsory Deposits	..	..	..	25,00,00
10-Year Treasury Savings Deposit Certificates	16,72,67	21,60,00	7,32,00	..
10-Year Defence Deposit Certificates	..	..	12,00,00	23,20,00
12-Year National Plan Savings Certificates	79,80,70	90,00,00	42,20,00	..
12-Year National Defence Certificates	..	..	45,70,00	90,00,00
Cumulative Time Deposits	3,33,82	4,65,00	6,25,00	9,30,00
Post Office Cash Certificates	—31	..	..	..
National Savings Certificates	—3,42	..	..	..
10-Year National Plan Certificates	—2	..	..	..
State Provident Funds	73,42,78	70,83,40	78,82,24	80,30,37
Investment of Deposits of U.S. Government Counterpart Funds (Net)	54,13,00	90,00,00	60,00,00	90,00,00
Other Accounts	3,23,57	3,42,81	3,35,28	3,43,53
TOTAL—UNFUNDED DEBT	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	69,63,06	71,04,36	71,18,00	84,53,66
Railway Development Fund as per Railway Budget	25,23,53	23,22,86	23,56,04	31,50,23
P. & T. Renewals Reserve Fund	13,25,99	9,47,54	9,13,97	14,73,94
P. & T. Development Fund, P.&T. Revenue Reserve Fund and Telephone Development Fund	1,35,07	90,00	1,65,08	1,30,08
Other Reserve Funds	19,82	74,00	93,11	1,10,90
(*b*) *Non-Interest bearing*—				
Other Reserve Funds	59,81	53,16	55,63	66,70
Appropriation for Reduction or Avoidance of Debt	5,00,00	5,00,00	5,00,00	5,00,00
Carried Over	1,15,27,28	1,10,91,92	1,12,01,83	1,38,85,51
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94
Brought Forward	1,15,27,28	1,10,91,92	1,12,01,83	1,38,85,51
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Shipping Development Fund . .	7,29,71	5,10,86	5,83,30	5,38,84
Deposits of Income Tax Super Tax, Excess Profits Tax and Surcharge.	1,76,77	15,00	22,73	20,00
Deposits towards Payment of Estate Duty	22	..	..	..
Deposits of Trusts for Indian Princes	4,57	4,39	4,39	4,22
Other Deposits	7,87,46	3,88,61	3,90,12	3,74,62
(*b*) *Non-Interest bearing*—				
Silver Redemption Reserve . .	—6,38,47	..	..	..
Central Road Fund . . .	4,00,00	4,10,00	4,10,00	4,10,00
Fund for the Benefit of Cotton-growers	41,62	30,00	30,00	35,00
Carried Over	1,30,29,16	1,24,50,78	1,26,42,37	1,52,68,19
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward . . .	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94
Brought Forward . . .	1,30,29,16	1,24,50,78	1,26,42,37	1,52,68,19
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat . . .	12,62,77	12,61,02	12,95,57	11,48,15
Fund from the sale proceeds of Wheat received under the Colombo Plan	4,24,56	1,57,09	2,03,77	1,33,13
Fund from other Assistance under the Colombo Plan . . .	8,95,86	4,46,35	5,44,87	6,05,30
Fund from Assistance under the Indo-U.S.A. Technical Cooperation Agreement	8,26,29	10,67,55	6,70,75	3,50,96
Fund from the sale proceeds of American Loan Commodities .	6,17,61	3,28,35	3,32,71	1,57,73
Fund from Assistance from Norway for Fisheries Community Development	19,58	30,00	30,00	20,00
Assistance under P.L. 480 . .	65,68,53	1,00,00,00	1,34,00,00	1,05,00,00
Coal Mines Labour Housing and General Welfare Fund . . .	2,89,91	2,50,00	2,50,00	2,75,00
Iron-Ore Mines Labour Welfare Fund	..	25,00	1,00	25,00
Mica Mines Labour Welfare Fund .	24,63	25,00	25,00	25,00
Cotton Textiles Fund . . .	41	..	..	..
Iron and Steel Equalisation Fund .	25,45,30	24,50,00	30,00,00	18,30,00
Post Office Certificates and Cumulative Time Deposits Bonus Fund .	8,87,20	10,27,09	13,55,81	13,33,62
Deposits of Local Funds . . .	12,69,95	13,11,91	11,23,42	10,96,66
Civil Deposits	2,27,53,08	1,89,48,72	2,46,62,92	2,37,35,06
Other Deposits	60,71,29	74,99,20	71,40,44	80,04,57
Carried Over	5,74,86,13	5,72,78,06	6,66,78,63	6,45,08,37
Carried Over	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward . . .	4,82,19,61	5,50,53,41	5,10,66,62	5,88,25,94
Brought Forward . . .	5,74,86,13	5,72,78,06	6,66,78,63	6,45,08,37
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge . .	—14,34	5,55	75	62
Deposit account of the assistance given by the Ford Foundation .	1,16,74	1,50,00	12,39	12,39
National Defence Fund . . .	..	..	48,00,00	20,00,00
Other Accounts	1,57,21	1,21,20	1,15,85	1,19,58
Emergency Risks (Goods and Factories) Insurance Funds . .	..	..	9,00,00	33,00,00
Accounts with the Government of Burma	2,72	..	7	7
Accounts with the Reserve Bank .	1,11	1,80,95	2,15,93	2,15,92
Other Advances	1,40,57,44	1,44,10,33	1,55,36,94	2,23,28,99
Value of One-rupee Notes issued .	5,00,00	5,00,00	5,00,00	5,00,00
Cash Balance Investment Account (net)	20,83	39,85	..	..
Profits on Coinage	..	..	..	..
Discount Sinking Fund . . .	..	2,04,31	2,02,94	1,89,44
Other Suspense Accounts (net)	..	64,38,67	65,95,30	65,97,68
Cheques and Bills (net) . . .	9,74,00	9,37,55	..	..
Departmental and Similar Accounts (net)	12,49,26	..	..	53,66
Miscellaneous	26,23,89	3,23	49,70	1,23
TOTAL—DEPOSITS AND ADVANCES .	7,71,74,99	8,02,69,70	9,56,08,50	9,98,27,95
Carried Over	12,53,94,60	13,53,23,11	14,66,75,12	15,86,53,89

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts 1961-62	Budget Estimae, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*ontd.*				
Brought Forward . . .	12,53,94,60	13,53,23,11	14,66 75,12	15,86,53,89
REMITTANCES—				
I.—REMITTANCES WITH IN INDIA—				
Inland Money Orders . . .	3,41,91,68	3,50,00,00	3,60,00,00	3,65,00,00
Other Remittances . . .	10,07,16	20,00	—35,38	—60,79
Accounts between Civil and Other Departments—				
Exchange Accounts between Civil and Defence Services .	2,92,60,60	—4,50,00	—4,50,00	..
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India . . .	2,08,46,53	1,37,11,45	1,83,44,91	1,26,43,26
TOTAL—REMITTANCES . . .	8,53,05,97	4,82,81,45	5,38,59,53	4,90,82,47
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,67,61,78	1,00,76,11	68,27,39	80,08,62
RESERVE BANK DEPOSITS—				
RAILWAYS	—1, 39,85,48	—1,66,52,39	—1,80,15,95	—1,71,32,86
POSTS AND TELEGRAPHS . .	72,21,57	56,20,49	58,79,82	68,98,81
Defence Services . . .	..	—3,71,73,58	—4,89,31,10	—8,56,62,43
TOTAL III—PUBLIC ACCOUNT—RECEIPTS	22,06,98,44	14,54,75,19	14,62,94,81	11,98,48,50
TOTAL—(I+II+III) . . .	75,08,78,84	72,85,86,39	74,28,89,52	79,00,35,85
OPENING BALANCE	45,21,54	49,92,34	49,39,87	50,62,05
GRAND TOTAL . . .	75,54,00,38	73,35,78,73	74,78,29,39	79,50,97,90

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNT—*contd.*				
UNFUNDED DEBT—				
Deposit of Service Funds	2,87	2,90	3,66	3,38
Post Office Savings Bank Deposits	2,15,05,17	2,30,50,00	2,33,50,00	2,34,00,00
10-Year Treasury Savings Deposits Certificates	11,91,08	7,60,00	7,02,00	7,58,00
10-Year Defence Deposit Certificates	..	..	..	20,00
12-Year National Plan Savings Certificates	18,58,28	25,00,00	22,71,00	21,80,00
12-Year National Defence Certificate	..	..	..	5,00,00
Cumulative Time Deposits	10,06	15,00	25,00	30,00
Post Office Cash Certificates	43,08	37,00	30,00	24,00
Defence Savings Certificates	74	1,00	2,00	1,00
National Savings Certificates	16,85,89	16,84,00	18,85,00	14,66,00
10-Year National Plan Certificate	92,62	1,18,00	1,07,00	91,00
State Provident Funds	34,32,07	33,38,03	35,36,85	34,73,71
Special Loans	6,11	63	2,55	2,55
Other Accounts	2,13,40	2,31,33	2,07,01	2,04,63
TOTAL—UNFUNDED DEBT	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	58,23,52	63,00,00	70,00,00	68,00,00
Railway Development Fund as per Railway Budget	51,06,88	23,00,00	22,97,28	00
P. & T. Renewals Reserve Fund	1,15,27	2,20,00	2,11,00	1,50,00
P. & T. Development Fund, P. & T. Revenue Reserve Fund and Telephone Development Fund	44,42	60,00	60,00	50,00
Other Reserve Funds	95,74	34,63	83,11	1,09,19
(*b*) *Non-interest bearing*—				..
Other Reserve Funds	25,77	49,87	33,94	38,52
OTHER DEPOSITS AND ADVANCES—				
(*a*) *Interest-bearing*—				
Shipping Development Fund	4,21,08	12,87,41	2,42,62	7,21,88
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	1,67,27	27,60	47,16	24,14
Other Deposits	5,96,69	2,89,35	2,78,66	2,09,69
Carried Over	1,23,96,64	1,05,68,86	1,02,53,77	1,07,03,42
Carried Over	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNTS—*contd.*				
Brought Forward	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
Brought Forward	1,23,96,64	1,05,68,86	1,02,53,77	1,07,03,4
Deposits under Section 10 (2B) of the Indian Income Tax Act	..	20	20	26
Deposits of Trusts for Indian Princes	22,11	22,11	22,11	22,11
(*b*) *Non-Interest bearing*—				
Central Road Fund	4,26,19	5,90,92	4,00,00	2,00,00
Fund for the Benefit of Cotton-growers	28,71	59,00	52,00	60,00
Cotton Textiles Fund	11,95	14,49	14,54	14,93
Fund for the Protection of Sugar Industry	17,39	10,40	10,37	1,62
Fund for the Relief of Linseed Cultivators	..	..	1	..
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat	8,63,65	12,61,02	22,52,63	11,48,15
Fund from the sale proceeds of Wheat received under the Colombo Plan	44	..	..	..
Fund from other Assistance under the Colombo Plan	87,44	52,07	33,11	67,85
Fund from Assistance under the Indo-U. S. Technical Co-operation Agreement	26,93,23	7,77,89	7,99,90	4,50,88
Fund from the sale proceeds of American loan commodities	2,53,05	1,44,19	..	..
Fund from Assistance from Norway for Fisheries Community Development	19,58	30,00	30,00	20,00
Assistance under P.L. 480	15,44,64	13,62,14	15,77,59	7,70,33
Coal Mines Labour Housing and General Welfare Fund	1,76,59	2,68,93	2,23,04	2,34,27
Iron-Ore Mines Labour Welfare Fund	..	10,00	5	7,00
Mica Mines Labour Welfare Fund	27,42	34,00	30,51	31,13
Iron and Steel Equalisation Fund	12,69,00	14,51,31	23,14,50	12,65,64
Post Office Certificates and Cumulative Time Deposits Bonus Fund	32,40	41,91	72,18	1,65,65
Deposits of Local Funds	12,87,18	12,87,91	11,52,99	11,28,39
Civil Deposits	2,27,34,51	1,87,48,80	2,45,65,77	2,33,02,72
Other Deposits	66,45,13	76,60,92	69,04,39	76,40,09
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge	16,70	22,58	14,54	15,16
Carried Over	5,05,53,95	4,44,19,65	5,07,24,20	4,72,49,60
Carried Over	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27

C—STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
III.—PUBLIC ACCOUNTS—*concld.*				
Brought Forward	3,00,41,37	3,17,37,89	3,21,22,07	3,21,54,27
Brought Forward	5,05,53,95	4,44,19,65	5,07,24,20	4,72,49,60
Deposit account of the assistance given by the Ford Foundation . .	70,90	80,19	59,60	36,41
National Defence Fund	..	..	75,00	25,00
Other Accounts	1,65,57	1,20,06	1,20,94	1,16,73
Emergency Risks (Goods and Factories) Insurance Funds . . .	..	..	2,00	6,00
Accounts with the Government of Burma	23	3	37	37
Accounts with the Reserve Bank .	28,64	1,75,14	2,18,25	2,18,25
Other Advances	1,41,36,58	1,54,44,09	1,62,57,10	2,20,66,99
Cash Balance Investment Accounts(net)	..	..	21,64,12	13,92,52
Profits on Coinage	..	15,00,00	15,00,00	15,00,00
Discount Sinking Fund . . .	73,97	..	1,38,27	..
Value of one rupee Notes issued .	3,85	..	..	..
Other Suspense Accounts (net) .	9,17,24	..	..	..
Cheques and Bills (net)	..	..	7,09,65	8,11,71
Departmental and Similar Accounts (net)	..	23,40	51,53	..
Miscellaneous	3,58,99	4,96	3,38,93	3,05
TOTAL—DEPOSITS AND ADVANCES .	6,63,09,92	6,17,67,52	7,23,59,96	7,34,26,63
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . .	3,42,62,26	3,49,00,00	3,50,00,00	3,55,00,00
Other Remittances . . .	9,36,81	25,00	15,00	2,00
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Defence Services .	2,92,55,33	—4,50,00	—4,50,00	..
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India . . .	2,33,58,78	1,37,11,45	1,83,44,91	1,26,43,26
TOTAL—REMITTANCES . .	8,78,13,18	4,81,86,45	5,29,09,91	4,81,45,26
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	1,67,63,75	1,00,76,11	68,27,39	80,08,62
RESERVE BANK DEPOSITS—				
RAILWAYS	—1,39,85,48	—1,66,52,39	—1,80,15,95	—1,71,32,86
POSTS AND TELEGRAPHS . .	72,21,57	56,20,49	58,79,82	68,98,81
DEFENCE SERVICES . . .		—3,71,73,58	—4,89,31,10	—8,56,62,43
TOTAL III—PUBLIC ACCOUNTS—DISBURSEMENTS	19,41,64,31	10,35,62,49	10,31,52,10	6,58,38,30
TOTAL—(I+II+III) . .	75,04,60,51	72,86,44,47	74,27,67,34	79,00,85,99
Closing Balance . . .	49,39,87	49,34,26	50,62,05	50,11,91
GRAND TOTAL . . .	75,54,00,38	73,35,78,73	74,78,29,39	79,50,97,90

GOVERNMENT OF INDIA

BUDGET

OF THE

Railway Revenue and Expenditure of the Central Government For 1963-64

(AS FINALLY ADOPTED)

MINISTRY OF RAILWAYS,
Dated, the 16th August, 1963.

S. JAGANNATHAN,
Financial Commissioner for Railways.

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1.—Statement of the Revenue of the Central Government from Railways.

(In thousands of rupees)

HEADS OF REVENUE	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64
M—RAILWAYS—REVENUE					
	Rs.	Rs.	Rs.	Rs.	Rs.
LXIV-A & LXV-A—Indian Railways—					
Revenue Receipts— Passenger Earnings—					
Upper	17,54,56	19,00,30	19,30,00	+29,70	20,04,00
Third	133,33,29	147,45,70	147,95,00	+49,30	152,46,00
Ather Coaching Earnings	29,10,47	29,00,00	31,50,00	+2,50,00	34,80,00
Goods Earnings . .	306,89,67	337,55,00	337,55,00	..	3,79,00,000
Sundry Other Earnings .	13,60,86	13,50,00	14,50,00	+1,00,00	14,50,00
LOTAL EARNINGS . .	500,48,85	546,51,00	550,80,00	+4,29,00	600,80,000
Suspense . . .	1,40	—1,15,00	—1,18,00	—3,00	—1,11,00
†Gross Receipts of Indian Railways	500,50,25	545,36,00	549,62,00	+4,26,00	599,69,00
*Deduct— ‡83-A & 84-A—Working Expenses	390,33,30	..	..	..	..
83-C—Payments to worked lines—					
(*i*) Net earnings . .	17,47	..	..	..	..
(*ii*) Rebate etc. . .	14	..	..	..	..
Net Receipts . .	109,99,34	545,36,00	549,62,00	+4,26,00	599,69,00
LXIV-B—Other Miscellaneous Receipts—					
Miscellaneous receipts .	2,60,88	16,96	74,56	+57,58	23,71
LXVI—Subsidised Companies Government share of surplus profits, etc.	2,88	2,28	2,67	+39	2,36
LXVII—Transfer from Railway Revenue Reserve Fund .	..	..	..	..	..
TOTAL RECEIPTS . .	112,63,10	545,55,26	550,39,23	—4,83,97	599,95,07
†Includes earnings of worked lines	57,95	55,69	53,50	—2,19	51,58
‡Includes appropriation from Revenue to Depreciation Reserve Fund . . .	65,00,00	..	..	..	..

*The expenditure under "Working Expenses" of Railways is adjusted as "expenditure" instead of in reduction of "receipts", due to rationalisation of accounting classification introduced with effect from 1-4-1962 and their estimates for 1962-63 and 1963-64 are therefore shown under "expenditure".

2.—Statement of the Expenditure on Railways met from the Revenues of the Central Government

(In thousands of rupees)

Heads of Expenditure	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.	Rs.
M—RAILWAYS—EXPENDITURE					
*83-A & 84-A—Working Expenses . . .	..	423,79,52	430,13,61	+6,34,09	459,03,93
83-C—Payments to Worked Lines—					
(*i*) Net earnings . .	..	14,14	13,42	—72	13,68
(*i*) Rebate, etc. . .	..	29	1,01	+72	59
83-B & 84-B—Other Miscellaneous Expenditure .	3,16,04	3,90,35	3,76,71	—13,64	3,98,85
85.—Payments to General Revenues . . .					
(a) Dividend to General Revenues . . .	62,84,83	69,35,34	68,73,29	—62,05	80,60,86
(b)—Payment to General Revenues in lieu of tax on Railway passenger fares . .	12,50,00	12,50,00	12,50,00	..	12,50,00
86.—Appropriations from Railway Surplus:					
(*i*) Appropriation to Railway Revenue Reserve Fund .	..	..	..	..	..
(*ii*) Appropriation to Railway Development Fund .	24,39,92	23,21,97	23,20,26	—1,71	31,00,42
(*iii*) Appropriation to Railway Depreciation Reserve Fund . . .	..	..	..	..	..
87.—Subsidised Companies—					
Land	..	..	..	..	..
Subsidy . . .	11,87	13,65	13,65	..	16,74
88.—Open Line Works Revenue . . .	9,60,44	12,50,00	11,77,28	—72,72	12,50,00
Total Expenditure	112,63,10	545,55,26	550,39,23	+4,83,97	599,95,07
*Includes appropriation from Revenue to Depreciation Reserve Fund . . .	..	67,00,00	67,00,00	..	80,00,00

3.—Distribution of Railway Surplus 1962-63 and 1963-64

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.
Surplus	24,39,92	23,21,97	23,20,26	31,00,42
Railway Development Fund . .	24,39,92	23,21,97	23,20,26	31,00,42
Railway Revenue Reserve Fund .	..	..	..	..
Railway Depreciation Reserve Fund .	..	..	..	..

4.—Statement of the Capital Expenditure of the Central Government on Railways

(In thousands of rupees)

HEADS OF EXPENDITURE	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Increase(+) Decrease(—) as compared with Budget, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.	Rs.
MM—CAPITAL.					
Railway Capital not met from Revenue—					
131 & 132.—Construction of Railways—					
Open Line Works—					
Rolling Stock . .	66,06,60	99,19,49	88,52,53	—10,66,96	93,05,09
Other Works . .	36,85,22	62,18,66	55,17,99	—7,00,67	70,19,86
New Construction. .	41,05,92	56,04,61	51,42,67	—4,61,94	68,94,83
Suspense . . .	—94,53	—5,46,04	6,84,60	+12,30,64	6,18,67
Miscellaneous . .	1,87,13	2,17,79	1,02,21	—1,15,58	2,47,82
Probable Savings .	..	—17,64,51	..	+17,64,51	—22,36,27
LOTAL . .	144,90,34	196,50,00	203,00,00	+6,50,00	218,50,00

A—RAILWAY DEPRECIATION RESERVE FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	†9,79,11*	27,10,66	29,18,93	28,33,05	Appropriation from Depreciation Reserve Fund	58,23,51	63,00,00	70,00,00	68,00,00
Appropriation to Depreciation Reserve Fund. . .	(a) 66,77,14	(b) 67,94,03	(c) 68,10,47	(d) 81,05,59					
Interest on Depreciation Reserve Fund. .	86,19	1,07,96	1,03,65	1,31,42	Closing Balance . .	29,18,93	33,12,65	28,33,05	42,70,06
TOTAL . . .	87,42,44	96,12,65	98,33,05	110,70,60	TOTAL .	87,42,44	96,12,65	98,33,05	110,70,06

*Includes 783·93 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.

†Excludes 0·48 lakh on account of write-back of an erroneous adjustment in respect of quarters for Class III and IV Staff forming part of a Scheme from Development Fund.

(a) Includes 1,77,14 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (1,10,84) and Integral Coach Factory (66,30)

(b) ,, 94,03 ,, ,, ,, ,, ,, ,, ,, ,, (65,20) ,, ,, ,, (28,83)

(c) ,, 1,10,47 ,, ,, ,, ,, ,, ,, ,, ,, (78,93) ,, ,, ,, (31,54)

(d) ,, 1,05,59 ,, ,, ,, ,, ,, ,, ,, ,, (72,60) ,, ,, ,, (32,99)

B—RAILWAY REVENUE RESERVE FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	(a) 53,44,50*	(b) 55,36,49	(c) 55,36,73	(d) 57,40,20	Appropriation from Railway Revenue Reserve Fund .	..	..	..	..
Appropriation to Railway Revenue Reserve Fund from Surplus etc. . .	..	..	..	..					
Interest on Railway Revenue Reserve Fund . . .	(d) 1,92,23	(e) 2,02,37	(f) 2,03,47	(f) 2,16,65	Closing Balance . .	(v) 55,36,73	(b) 57,38,86	(c) 57,40,20	(c) 59,56,85
TOTAL . .	55,36,73	57,38,86	57,40,20	59,56,85	TOTAL . .	55,36,73	57,38,86	57,40,20	59,56,85

*Includes 233·99 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.

(a) Includes 233·99 lakhs on account of investment shares of and lones to Branch line Companies.

(b) ,, 36·98 ,, ,, ,, ,, ,, ,, ,, ,,

(c) ,, 36·59 ,, ,, ,, ,, ,, ,, ,, ,,

(d) ,, 1·79 lakhs on account of interest and dividends, etc. on investments.

(e) ,, 1·61 ,, ,, ,, ,, ,, ,, ,, ,,

(f) ,, 1·59 ,, ,, ,, ,, ,, ,, ,, ,,

C—RAILWAY DEVELOPMENT FUND

(In thousands of rupees)

	Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64		Accounts, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	†36,32,68	13,38	‡10,12,16	10,70,92	Appropriation form Development Fund . . .	21,14,13	23,00,00	22,97,28	26,00,00
Appropriation to Development Fund from Surplus	24,39,92	23,21,97	23,20,26	31,00,42	Repayment of principal .	29,39,98	..	..	..
					Interest on loans . .	52,77	..	..	..
Interest on Development Fund	83,61	89	*35,78	49,81	Closing Balance . .	10,49,33	36,24	10,70,92	16,21,15
TOTAL . .	61,56,21	23,36,24	33,68,20	42,21,15	TOTAL .	61,56,21	23,36,24	33,68,92	42,21,15

†Includes *ad hoc* transfer to Capital from D. F. of the cost of the new lines under construction on 1-4-55 *viz.*, Khandwa-Hingoli on Central Railway (1165·25 lakhs) and Quilon-Ernakulam on Southern Railway (515·55 lakhs) as per the accepted recommendations of the Railway Convention Committee, 1960, erroneous transfer to capital from D. F. of the cost of the works "Bhagalpur-Mandar Hill Restoration" (38·53 lakhs) on Eastern Railway and "Conversion of Adipur-Bhuj" on Western Railway (9·00 lakhs) and excludes write-back of erroneous adjustments in respect of quarters for Class III and IV staff forming part of a scheme to Capital and D.R.F. (8·88 lakhs).

‡Includes 10·93 lakhs due to the proposed transfer of the cost of new line "Bobbili-Salur" to Capital and excludes transfer from Capital of the erroneous adjustments made in 1961-62 of the cost of "Bhagalpur-Mandar Hill" (38·53 lakhs) and "Adipur-Bhuj" (9·57 lakhs).

*Excludes 1·72 lakhs due to arrear adjustment of interest relating to 1961-62.

EXPLANATORY MEMORANDUM

on the

Budget of the Central Government

for

1963-64

FINAL EDITION

PREFACE

The Explanatory Memorandum consists of two sections, the first dealing with the estimates of Revenue and Expenditure met from Revenue and the second with the Capital transactions.

The Demands for Grants of individual Ministries are presented in separate volumes. The form and content of the Demands for next year have been revised after consultation with the Estimates Committee which will make for better presentation in a more concise form. The changes are explained in Part II of the Introductory Note. Two new schedules, one showing the Demand-wise details of the provision for expenditure on Plan schemes and the other, the details of the staff for which provision is made are also being added. A statement showing new non Plan items of expenditure costing Rs. 5 lakhs and above has been given in the volumes of Demands for Grants. These also contain as usual, notes explaining variations under individual Demands, notes on important schemes and balance sheets and accounts of commercial and other undertakings. The Hindi versions of the Demands for Grants together with the schedules, reasons for variations, notes on important schemes etc. have been brought out in separate consolidated volumes.

Certain data and statistics of economic interest are given in the Economic Survey presented along with the budget.

This Memorandum includes a summary of Revenue and Expenditure as also of capital transactions, which are derived from the Annual Financial Statement, and which in turn is based on the classification adopted in the Accounts. Notes on the estimates under the various Heads of Account are also included in explanation of the variations. Annexures are added at the end giving the progress of revenue and expenditure, comparison of gross tax revenue cost of collecting and analysis of expenditure on Administrative Services and Social and Developmental Services. Other Annexures relate to resources transferred from the Centre to the States, the distribution by Demands for Grants and Appropriation of the expenditure shown by the heads of account in the Budget statement, distribution of the civil and Posts and Telegraphs expenditure estimates for 1963-64 under broad categories, the nature and purpose of the Special Development Fund and other foreign aid received by India, the loans from friendly foreign countries and from other institutions, details of investments in industrial and commercial undertakings and returns therefrom, progressive figures of net receipts from public borrowings in India, net receipts realised under Unfunded Debt, guarantees given by the Central Government and outstanding at the end of 1962, a consolidated statement of contributions to International bodies, a table of income-tax payable as percentage of total income and a Summary of the Ways and Means.

The Introductory Note has been divided into two Parts. Part I explains the structure of the budget, the various types of transactions included in the different sections of the accounts and the relation between the annual financial statement laid before Parliament and the Demands for Grants and Appropriations presented to it; while Part II gives the details of the changes made in the form of the Demands for Grants with effect from the current financial year.

In this Memorandum the expressions "current year" and "next year" indicate the financial years 1962-63 and 1963-64 respectively. Unless otherwise stated all amounts are in lakhs of rupees. Sterling transactions in the current year have been converted at the rate of 1 *sh.* 5 31|32*d.* on the basis of the actual rates prevailing upto January 1962. In accordance with the usual practice similar transactions included in the budget for 1962-63 have been converted into rupees at the standard rate 1 *sh.* 6 *d.* to the rupee. Conversion of non-sterling transactions both in the current and the next year has been made at I.M.F. parity rates. The difference between this rate and those actually prevailing from time to time has been provided under "57(71)/XLVI(LII)-Miscellaneous—Loss or gain by exchange", as the case may be.

The accounts for the year 1961-62 have not been finally closed. The actuals for that year shown in the Explanatory Memorandum and elsewhere are, therefore provisional and subject to readjustment.

INTRODUCTORY NOTE

PART I

The "annual financial statement" laid before both Houses of Parliament, in accordance with the provisions of the Constitution, is the budget of the Central Government. This statement covers all the transactions of the Central Government during the current and the ensuing year. The budget of the Indian Railways is separately presnted to Parliament and dealt with by it. But as the receipts and expenditure of the Railways are, never the less, the receipts and expenditure of the Government of India, the figures relating to these are also included in lump in the general budget.

2. The annual financial statement is prepared by major heads of account, prescribed in consultation with the Comptroller and Auditor General. These heads fall either under the Consolidated Fund of India or in the Public Account of the Government. In addition, the Government of India also maintain a Contingency Fund, set up under Art. 267(1) of the Constitution, with a balance of Rs. 15 crores, for making advances for urgent unforeseen expenditure, which are recouped to the Fund by debit to the Consolidated Fund of India, after obtaining parliamentary sanction for such expenditure. The receipts and expenditure of Government fall under one or other of the major heads either in the Consolidated Fund or the Public Account in accordance with the prescribed rules of classification.

3. All revenues received by the Government of India, all loans raised by the Government by the issue of Treasury Bills, loans or ways and means advances and all monies received by Government in repayment of loans are credited to the Consolidated Fund and monies can be appropriated from that Fund only in accordance with law and for the purposes and in the manner provided in the Constitution. All other public monies received by or on behalf of the Government of India are credited to the Public Account. Government expenditure, including expenditure on loans and advances by Government, the repayment of loans, treasury bills and ways and means advances is met out of the Consolidated Fund. The estimates of expenditure have to show separately the sums required to meet expenditure which the Constitution has "charged" upon the Consolidated Fund and the sums required to meet other expenditure. The estimates have also to distinguish expenditure on revenue account from other expenditure. The latter covers expenditure on capital outlay, loans given by Government and expenditure on the repayment of loans, treasury bills and ways and means advances.

4. The estimates of expenditure to be met from the Consolidated Fund are presented to the Lok Sabha in the form of Demands for Grants, except to the extent to which such expenditure is "charged" on the Consolidated Fund and, in consequence, does not require a vote of the Lok Sabha. These demands generally cover the requirements of each individual administrative service. For example, a Ministry has a demand for its own expenditure and one for the expenditure of each one of the various departments under its administrative control. Except in special circumstances, a demand does not cover more than one department or more than one head of account. The main exception to this is that all expenditure controlled by the head of each of the Union Territories is brought together in a single demand. There are also demands for miscellaneous expenditure and for purposes such as, the loan requirements of all Ministries and Union territories. Similarly the provision in respect of all Ministries for payment of grants-in-aid to States has

been included in one composite Demand. The "charged" expenditure under any head for which there is a voted demand, is included in that demand, but is shown separately and is, as explained earlier, not presented for vote. Where expenditure is wholly charged, a separate appropriation is included for it in the Book of Demands.

5. Within each demand the estimates are arranged by suitable sub-heads, which indicate the categories and nature of expenditure included in the demand. So long as the total demand is not exceeded, Government (and authorities subordinate to them to whom powers may be delegated) can meet excesses under one sub-head from savings in another except that excess in "charged" expenditure cannot be met by savings under "voted" heads and *vice versa*.

6. One qualification must be remembered in considering the demands for grants. Although they are generally by major heads, the total of all the demands relating to a major head and the "charged" expenditure provided under that head may not agree with the total shown in the annual financial statement. This is because certain recoveries are taken in the accounts in reduction of expenditure while in the demands, which when passed, provide the authority for incurring the particular item of expenditure, these recoveries are not taken into account. These recoveries mostly relate to inter-departmental adjustments or recoveries from other Governments, *ad hoc* funds, etc. Thus if the Union Excise Department does some work for Customs, the gross expenditure will appear in the demand under Union Excise while the accounts will show only the net expenditure (*i.e.* gross expenditure less recovery from Customs) under the major head 'Union Excise Duties'.

7. After the demands have been voted by the Lok Sabha, the monies required to meet the grants so voted and the expenditure "charged" on the Consolidated Fund and included in the annual financial statement presented to Parliament are withdrawn from the Consolidated Fund under the authority of an Appropriation Act passed by Parliament.

8. For payments out of the Public Account, no demand is required to be presented to Parliament and the requirements are met from time to time as they arise. These payments are largely of the nature of banking transactions. State Provident Funds, Depreciations and other Reserve Funds of Government departments, Post Office Savings Bank, Post Office Cash and other Savings Certificates, Postal Life Insurance Fund, *ad hoc* funds created by Government by appropriation from revenue or otherwise, miscellaneous deposits and remittances are inculded in the Public Account. It is broadly correct to say that none of the monies lying in the Public Account belong to Government. They have to be paid back at sometime or the other to the public as in the case of State Provident Funds, Postal Savings Bank, Postal Cash Certificates, Postal Life Insurance Funds, etc., or to be utilised by Government in an agreed manner as in the case of *ad hoc* funds set up for special purposes. It may be mentioned, to complete the picture, that the approval of Parliament is necessary to any appropriation from revenue to create a fund and, unless the monies thus funded are made over to corporate bodies with separate legal status of their own, similar approval is required for incurring subsequent expenditure from such funds. When an amount is transferred to any such fund, it is shown as expenditure in the estimates of the year in which the transfer is made. Expenditure met from these funds is similarly shown in the estimates of the year in which it is incurred but an equivalent amount is transferred from the fund to meet this expenditure. Parliamentary control is thus secured on both the creation of such funds and the utilisation of the monies held in them.

PART II

Changes in the form of Demands for Grants

The Demands for Grants were hitherto presented in four parts, *viz.*, Part I, which gave the name of the Service and the amount of the provision included in the Demand for voted and charged items of expenditure, separately; Part II, which gave the distribution of sub-heads under which the total amount included in the Demand would be accounted for; Part III, which repeated the distribution of the provision included in Part II and also indicated—

(i) the circle of account in which the expenditure is adjustable;

(ii) further break-up of the provision under each sub-head into primary units and other details; and

(iii) distribution of the provision by Plan and non-Plan items; and

Part IV which gave the circle-wise distribution of the recoveries adjusted, in accounts, in reduction of expenditure.

With the enormous growth in Governmental expenditure, as a result of the impact of successive development plans, the size of the Demands for Grants has increased greatly in recent years. The decision to indicate from 1960-61 onwards separate details of both Plan and non-Plans expenditure has also led to a good deal of duplication. The total number of pages of Demands for Grants, which was a little over 300 in 1950-51 was over 4,000 for 1962-63. It has, therefore, been decided after consultation with the Comptroller and Auditor General of India and the Estimates Committee to rationalise the form and content of the Demands for Grants and to reduce their size. The changes made are explained below.

The Circle-wise distribution indicated in Parts III and IV of the Demands for Grants represents the provision according to the circles of account in which the expenditure is booked. This distribution is chiefly of interest to the accounting and administrative authorities responsible for controlling the Grants. Often, circle-wise distribution does not represent the area in which the expenditure is incurred. For instance, provision for expenditure on Survey of India, Geological Survey, Supply, Rehabilitation, Food, Stationery and Printing etc., is centralised in the books of Accounts Officers for administrative convenience regardless of the area to which it relates. Besides, a substantial portion of the provision almost in every Demand is included in the India Circle of the Accountant General, Central Revenues, which is later distributed over the other Circles. Under the existing arrangements consolidated totals of all the details given in Parts III and IV for the Grant as a whole are also not available. It has accordingly been agreed to delete Parts III and IV of the Demands for Grants with effect from next year. These would, however, be compiled for Departmental use and copies would also be kept in the Library of Parliament.

The Demands for Grants have, instead, been supported by two new schedules. The first gives the details of Plan provisions included in each Demand with figures relating to individual schemes or their general break-up wherever available. The other gives information about the total number of staff employed under different categories and the provision included therefor in each Demand both for the current as well as for the budget year.

Since the details of Plan provisions would now be available in the new schedule attached to the Demands for Grants, the Annexure in the Explanatory Memorandum giving item-wise provision for Plan expenditure exceeding Rs. 5 lakhs is being eliminated. The Notes on the Demands for Grants, however, are being amplified to give broad details of important items of non-Plan expenditure included in each Demand.

2. The details of all major works costing more than Rs. 20,000 individually for which provision is included in the Estimates were hitherto given in Annexures appended to the concerned Demand for Grants. In the context of the all-round increase in the activities of Government in recent years, the limit of Rs. 20,000 led to a large increase in the volume of the supporting Annexures. It has, therefore, been decided in consultation with the Comptroller and Auditor General, that, with effect from the next year, the supporting Annexures to the Demands for Grants may include details of individual works costing Rs. 5 lakhs or more only; the provisions relating to works costing less than Rs. 5 lakhs being shown in lump. This would reduce the size and volume of the Annexures and at the same time highlight the provisions for really important works.

3. The changes made above would make for a better presentation of the Demands for Grants in a more concise form without taking away any part of the important information which is of interest to the Parliament.

SECTION I

ESTIMATES OF REVENUE AND EXPENDITURE MET FROM REVENUE

SECTION

REVENUE

The budget for 1962-63 assumed a deficit on revenue account of Rs. 22.06 crores. On the basis of the current year's level of taxation the expediture met from revenue at Rs. 18,52.40 crores leaving a deficit of Super Profits Tax Acts, 1963 it is estimated that this revenue deficit will

The estimated revenue and expenditure by Major Heads of Account Statement of the Central Government. Statement I below gives by broad Annexure XI shows how the estimated expenditure for the next year has

STATEMENT

SUMMARY OF REVENUE

REVENUE

Heads of Revenue	1961-62 Accounts	1962-63 Budget	1962-63 Revised	1963-64 Budget
Customs	2,12,25	2,07,82	2,31,65	2,21,20 +80,00*
Union Excise Duties	4,89,31	5,22,02	5,53,69	5,83,96 +1,03,55*
Corporation Tax	1,56,46	1,78,45	1,87,50	1,96,00 +26,00*
Taxes on Income	1,65,39	1,63,35	1,72,50	1,79,00 +39,00*
Estate Duty	4,21	4,00	4,00	4,00
Taxes on Wealth	8,26	9,00	9,00	9,00 †40*
Expenditure Tax	84	10	20	10
Gift Tax	1,01	85	95	95
Other Heads	16,02	15,83	17,75	18,37 + 1,50*
Debt Services	12,22	1,67,51	1,76,49	2,17,05
Administrative Services	84	6,11	6,75	6,76
Social and Developmental Services	46,50	35,29	43,37	31,61
Multi-purpose River Schemes, etc.	1	36	39	45
Public Works, etc.	3,86	4,02	4,11	4,38
Transport and Communications	2,58	6,30	6,67	7,46
Currency and Mint	54,44	69,53	70,56	73,68
Miscellaneous	24,99	24,56	25,62	24,93
Contributions and Miscellaneous Adjustments	21,31	24,41	25,20	27,66
Extra Ordinary Items	13,96	40,00	63,00	81,00
Deduct—Share of Income Tax payable to States	—93,85	—94,70	—95,27	—97,95
Deduct—Share of Estate Duty payable to States	—3,88	—3,88	—3,88	—3,88
TOTAL—REVENUE	11,36,73	13,80,93	15,00,25	15,85,73 +2,50,45*
DEFICIT ON REVENUE ACCOUNT		72	22,06	16,22
TOTAL	11,36,73	13,81,65	15,22,31	18,52,40

*Effect of Finance and Super Profits Tax Acts, 1963, ignores the effect of the changes in the Postal rates and in the rates of premium under the Emergency Risk (Goods and Factories) Insurance Schemes.

†Excludes a sxm of Rs. 8.83 crores being the share of Union Excise Duties (Basic) payable to State which has been taken in recuction of Revenue.

GET

72 lakhs. It is now expected that this deficit will be increased to
nue for the coming year is estimated at Rs. 15,85·73 crores and the
266·67 crores. After allowing for the effects of the Finance and
educed to Rs. 16·22 crores.

e been shown in Statements A and B of the annual Financial
egories a summary of the estimated revenue and expenditure.
n distributed over various Demands for Grants and Appropriations.

D EXPENDITURE

EXPENDITURE

(In lakhs of Rupees)

Heads of Expenditure	1961-62 Accounts	1962-63 Budget	1962-63 Revised	1963-64 Budget
llection of Taxes and Duties	21,16	22,58	23,07	23,83
ebt Services	82,85	2,47,90	2,46,03	2,80,24
lministrative Services	59,17	70,31	76,39	88,28
ocial and Developmental Services	1,49,89	1,63,24	1,57,26	1,55,40
ulti-purpose River Schemes, etc.	1,10	1,57	78	1,96
ublic Works, etc.	19,26*	21,88	23,71	20,94
ransport and Communications	6,04	8,75	8,75	9,79
urrency and Mint	11,69	20,23	22,96	17,24
Miscellaneous	78,73	1,09,45	1,08,44	1,10,98
Contributions and Miscellaneous Adjustments	3,78,66	3,30,97	3,38,50	3,49,04
Extraordinary Items	13,79	41,40	64,61	86,19
Defence Services (Net)	2,89,54	3,43,37	4,51,81	7,08,51
TOTAL—EXPENDITURE	10,11,88	13,81,65	15,22,31	18,52,40
SURPLUS ON REVENUE ACCOUNT	1,24,85		..	..
TOTAL	11,36,73	13,81,65	15,22,31	18,52,40

NOTES ON REVENUE ESTIMATES

Customs.—A rough distribution of the Customs revenue expected collected during the current year and the next year is below:

STATEMENT II

SEA CUSTOMS—IMPORTS

(In lakhs of

	Accounts, 1961-62	Budget, 1962-63	Revised, 1962-63	Bu 196
I.—*Revenue Duties*				
Spirits and liquors	1,34	1,24	1,10	
Spices	1,08	84	1,60	
Tobacco	2,78	2,50	2,20	
Kerosene oil	17,07	15,30	18,50	38
Motor spirit	4,29	3,30	4,00	5
Batching, lubricating and other Mineral Oils	2,78	2,86	2,60	3
High Speed Diesel Oil and Vaporising Oil	11,83	11,00	21,50	25
Industrial Fuel Oil		2,00	2,50	3
Motor cars, cycles, scooters, omnibuses, chassis,	2,01			
vans, lorries and parts thereof	1,70	1,83	1,70	2,
Electric lighting bulbs	19	16	30	
Wireless reception instruments and apparatus	1,48	1,40	1,40	1,
Coal-tar dyes and coal-tar derivatives	3,91	3,90	3,30	4,
Machinery	28,16	28,50	36,00	54,5
Iron and steel	11,49	16,70	14,00	19,5
Metals, other than iron and steel and silver	1,60	2,03	1,90	3,1
Railway plant and rolling stock	1,29	70	90	9
Wood-pulp, paper and stationery	4,59	4,92	4,70	4,94
Artificial silk yarn and thread	10,36	12,20	12,00	13,45
Cotton yarn and other textile fabrics	29	30	20	10
Cinematograph films	57	52	60	1,17
Pneumatic rubber tyres and tubes	1,16	1,30	40	44
Betelnuts	2,91	2,57	2,60	2,20
Heavy Chemicals	34	32	56	61
Chemicals, drugs and medicines	8,41	8,50	8,50	7,72
Artificial silk fabrics	22	25	4	..
Raw Cotton	..	..	..	2,20
All other articles	54,94	52,33	60,00	69,65
TOTAL—Revenue Duties	1,76,79	1,77,47	2,03,10	2,71,22
II.—*Protective Duties*				
Heavy Chemicals	1,06	1,20	2,50	2,70
Iron and Steel	10	6	3	3
Metals other than iron and steel	2,53	2,50	3,20	3,80
Raw Silk	31	29	29	32
Machinery other than Sewing Machines	2,02	2,00	2,00	2,75
Cycles (other than motor cycles) and parts thereof	90	1,00	20	11
Dyes derived from coal-tar & coal-tar derivatives	72	75	50	61
Motor Vehicle parts	12,81	11,50	11,70	16,43
All other articles	98	70	80	94
TOTAL—Protective Duties	21,43	20,00	21,22	27,69
TOTAL—IMPORTS	1,98,22	1,97,47	2,24,32	2,98,91

STATEMENT II—*concld.*

SEA CUSTOMS—EXPORTS

(In lakhs of Rs.)

	Accounts, 1961-62	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Raw Jute	..	..	7	7
Raw Cotton	70	70	60	60
Cotton Waste	83	86	70	70
Tea	9,83	6,50	6,50	1,12
Other agricultural produce	55	50	60	60
Mica	26	26	27	27
Coffee	15	17	12	12
Coir	6	6	7	7
Lac	22	45	40	40
All other Articles	0	..	..	..
TOTAL—EXPORTS	12,69	9,15	9,33	3,95
Land Customs	95	1,70	50	54
Air Customs	3,61	3,00	3,30	3,60
Miscellaneous	3,26	2,50	2,70	2,70
TOTAL—GROSS REVENUE	2,18,73	2,13,82	2,40,15	3,09,70
Deduct—REFUNDS	—6,48	—6,00	—8,50	—8,50
NET REVENUE	2,12,25	2,07,82	2,31,65	3,01,20

The import tariff is cast in the form of a commodity schedule w broad distinctions indicating the treatment to be accorded to vario classes of articles. The general rate of import duty is now 50 p cent. On certain non-essential items where it is felt that the consum can well pay a higher rate or where there is sufficient indigenous pr duction to meet the needs, higher rates of duty are imposed. Certai items are subjected to protective duties while certain others are declare duty free or are subjected to lower rates of duty in the interest of indi genous industry or the economy of the country. Some of the items which carry the heaviest rates of duty (ranging from 75 to 200 per cent.) are certain spices, tobacco manufactures, wines and spirits, artificial silk goods, gold plated articles, socks and stockings of silk or art silk, hardware, parasols and sunshades, gold and silver thread manufactures, silver thread and wire, motor cars, clocks and watches, etc. Some of the protected goods are automobiles, some chemicals, certain coal tar dyes, matches, silk fabrics, some non-ferrous metals and manufactures, cycles, certain items of machinery and parts, ball bearings, titanium dioxide and power and distribution transformers, for which the duties are fixed at such rates and for such periods as are found necessary having regard to the recommendations of the Tariff Commission. Grains and pulses and certain raw materials for industry are on the free list, while specially low but varying rates of tax cover a large number of essential items like fuel oils, batching oils, lubricants, raw films, machinery, etc.

Provision also exists for the levy of countervailing import duties wherever an excise duty is leviable on the like indigenous product so that the indigenous producer is not placed at a disadvantage.

The effect of export duties on the country's export trade is kept under constant review. There are at present very few commodities which are subjected to export duties; of these tea is the most important.

Against the original estimate of Rs. 207·82 crores, the revenue from Customs during the current year is now estimated at Rs. 231·65 crores, the increase being almost wholly under Import Duties. Larger imports of high speed diesel oil and vaporising oil and machinery to meet the industrial needs of the country account for an increase of Rs. 10·50 crores and Rs. 7·5 crores respectively. The yield from the duties on kerosene oil and heavy chemicals as well as the miscellaneous head "All Other Articles" also shows an increase but this will be partly counterbalanced by lesser receipts on the import of iron and steel and pneumatic rubber tyres and tubes. The revenue from Land Customs also shows a fall of Rs. 1·20 crores while the Refunds would be larger by Rs. 2·5 crores. No significant variation is expected in the revenue from Export duties.

The customs Revenue next year is placed at Rs. 301·20 crores. The increase of Rs. 69·55 crores over the current year's revised is due to the enhancement of the import duties on kerosene oil, high speed diesel oils and vaporising oil, machinery and iron and steel, and the protective duty on motor vehicles etc., under the Finance Act, 1963, partly offset by a loss of Rs. 5·38 crores from the reduction of export duty on tea.

STATEMENT III

Union Excise Duties.—Following are the details of revenue from Union Excise Duties:—

(In lakhs of Rs.)

Basic Duties	Accounts, 1961-62*	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64 *Ordinary Excise*	Budget, 1963-64 *Special Excise*	Budget, 1963-64 *Total*
Motor Spirit	45,51	46,68	51,00	66,00	5,75	71,75
Kerosene	12,84	14,34	14,34	29,63	..	29,63
Sugar	47,23	46,10	57,30	63,80	..	63,80
Matches	18,48	20,46	21,20	21,50	..	21,50
Steel Ingots	15,51	17,50	6,30	7,00	..	7,00
Tyres & Tubes	14,50	15,50	16,00	17,00	3,40	20,40
Tobacco	56,45	59,77	61,03	75,58	15,11	90,69
Vegetable Product	6,06	6,48	7,00	11,20	2,24	13,44
Coffee	1,92	1,85	2,00	2,00	40	2,40
Tea	10,57	11,32	10,50	13,73	2,25	15,98
Cotton Fabrics	47,51	52,50	54,50	56,50	..	56,50
Artificial Silk Fabrics	2,91	76	85	85	17	1,02
Cement	18,32	19,00	20,00	21,00	4,20	25,20
Footwear	1,74	2,00	2,10	2,15	..	2,15
Soap	2,46	2,83	2,83	4,15	83	4,98
Woollen Fabrics	1,35	52	1,10	1,50	30	1,80
Electric Fans	1,20	1,25	1,25	1,30	26	1,56
Electric Bulbs	88	97	1,10	1,20	12	1,32
Electric Batteries	1,79	1,92	2,00	2,05	31	2,36
Paper	11,51	11,94	12,50	13,00	2,10	15,10
Paints and Varnishes	2,12	2,25	2,25	2,65	53	3,18
Vegetable non-essential Oils	10,47	10,50	11,00	75	..	75
Refined Diesel Oils and Vaporizing Oil	43,36	45,69	40,00	54,04	5,02	59,06
Diesel Oil N. O. S.	6,51	7,78	8,50	17,30	1,60	18,90
Furnace Oil	7,98	9,14	9,14	9,14	..	9,14
Rayon and Synthetic fibres and yarn	5,58	7,35	8,00	8,50	2,83	11,33
Motor vehicles	10,30	10,50	10,50	11,00	2,60	13,60
Asphalt and Bitumen	2,52	2,34	2,35	2,35	..	2,35
Aluminium	1,04	1,08	1,20	1,50	30	1,80
Tin Plate	1,61	1,60	1,60	1,65	17	1,82
Pig Iron	1,11	1,40	1,30	1,50	..	1,50
Silk Fabrics	4	6	6	6	2	8
Cycles, parts thereof	1,34	1,40	1,60	1,65	..	1,65
Internal Combustion Engines	1,34	1,45	1,45	1,45	15	1,60
Electric Motors	1,03	1,10	1,15	1,20	24	1,44
Cinematograph Films	70	70	70	70	14	84
Soda Ash	30	35	35	40	..	40
Caustic Soda	41	55	55	55	..	55
Glycerine	13	14	11	12	..	12

*The figures are provisional. The accounts for 1961-62 have not yet been finally closed.

STATEMENT III—*concld.*

(In lakhs of Rs.)

	Accounts, 1961-62*	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64 *Ordinary Excise*	Budget 1963-64 *Special Excise*	Budget, 1963-64 *Total*
Basic Duties						
Coal-tar Dyes and Coal-tar Derivatives	2,15	1,40	2,00	2,25	23	2,48
Patent or proprietary medicines	4,19	5,25	5,25	5,40	..	5,40
Cosmetics	1,21	1,15	1,20	1,25	25	1,50
Cotton yarn	4,98	7,07	7,50	7,50	1,70	9,20
Woollen yarn	1,02	1,91	2,00	2,00	67	2,67
Glass & Glassware	2,01	2,20	2,40	2,50	29	2,79
Chinaware	84	80	1,00	1,05	10	1,15
Copper	1,75	1,45	1,85	2,20	..	2,20
Zinc	13	15	15	15	..	15
Refrigerators and Airconditioning Machinery	86	75	1,00	1,00	33	1,33
Wireless Receiving Sets	1,25	1,45	1,20	1,25	42	1,67
Plastics	1,11	1,05	1,25	1,25	25	1,50
Cellophane	31	35	35	35	7	42
All Petroleum Products N.O.S.	..	25	25	35	..	35
Nitric etc. Acids	..	73	75	85	..	85
Gases	..	80	1,00	1,10	..	1,10
Rubber products	26	59	75	85	17	1,02
Plywood	..	57	70	80	..	80
Jute Manufactures	..	2,93	3,90	4,00	40	4,40
Asbestos-cement products	..	71	85	90	..	90
Iron & Steel products	..	5,51	19,00	20,50	..	20,50
Electric wires and cables	..	1,78	2,00	2,25	..	2,25
Gramophones & records	..	27	15	15	1	16
Salt Cess	84	55	84	85	..	85
Coal Cess	9,98	7,00	6,75	7,25	..	7,25
Cess on Copra	12	10	10	10	..	10
Cess on oils and oil-seeds	30	20	20	20	..	20
Cess on Iron Ores	..	25	1	25	..	25
Miscellaneous	3,71	75	85	85	..	85
TOTAL—GROSS REVENUE	4,53,65	4,87,04	5,11,96	5,97,05	55,93	6,52,98
Deduct—REFUNDS AND DRAWBACKS	—3,30	—4,50	—4,50	—4,50	..	—4,50
TOTAL—NET REVENUE	4,50,35	4,82,54	5,07,46	5,92,55	55,93	6,48,48
Additional Duties						
Sugar	11,22	13,83	17,03	17,53	..	17,53
Textiles	19,46	20,21	20,48	21,33	..	21,33
Tobacco	8,28	8,49	8,72	9,00	..	9,00
TOTAL	38,96	42,53	46,23	47,86	..	47,86
GRAND TOTAL—UNION EXCISE DUTIES	4,89,31	5,25,07	5,53,69	6,40,41	55,93	6,96,34

The revenue from Basic Union Excise Duties is now estimated at Rs. 507·46 crores as against the original budget of Rs. 482·54 crores, representing an increase of Rs. 24·92 crores. The improvement is spread over

*The figures are provisional. The accounts for 1961-62 have not yet been finally closed.

a number of items, notably sugar, motor spirit, cotton fabrics, tobacco and cement, and reflects all round improvement in production and clearances. The yield from the new excise on iron and steel products levied under the Finance Act (No. 2) 1962 has also been higher but this is partly counter-balanced by shortfall from the duties on pig iron and steel ingots, the excise being mostly paid on the finished products. The new excise on jute manumactures is also expected to yield slightly more than what was anticipated earlier. These improvements will, however, be partly offset by lesser realisations on refined diesel oil and vaporizing oil due mainly to fall in production and clearances below the expected level.

The revenue from Basic Excise Duties next year is placed at Rs. 592·55 crores. The increase of Rs. 85·09 crores over the current year's revised is due to the anticipated buoyancy in production and the increase in the rates of excise duties under the Finance Act, 1963 notably on motor spirit, kerosene, tobacco, refined diesel oils and vaporising oils (Rs. 66·70 crores) partly offset by the removal of the excise duties on unprocessed vegetable non-essential oil including ordinary edible oils (Rs. 10·25 crores).

The above estimates also include—

(a) Rupees 6·72 crores this year and Rs. 6·79 crores next year from the special cess of 1·9 nP. per sq. metre of mill-made cloth for the benefit of handloom and khadi industries;

(b) Rs. 6·75 crores this year and Rs. 7·25 crores next year from the Coal Mines Labour Welfare Cess and the Coal Mines Safety and Conservation Cess;

(c) Rs. 10 lakhs in both the years from the cess on copra for payment to the Indian Central Coconut Committee.

(d) Rs. 20 lakhs in both the years from the cess on oils and oilseeds for payment to the Indian Central Oilseeds Committee.

(e) Rs. 84 lakhs this year and Rs. 85 lakhs next year from the cess on salt.

(f) Rs. 1 lakh this year and Rs. 25 lakhs next year from the cess on iron ore under the Iron Ore Labour Welfare Cess Act for transfer to the Iron Ore Mines Labour Welfare Fund.

Under the provisions of the Union Duties of Excise (Distribution) Act, 1962, the following recommendations of the Third Finance Commission, 20% of the net proceeds of the Basic Union Duties of Excise levied and collected under the Central Excises and Salt Act, 1944 on all articles other than motor spirit on which such duties were collected in 1960-61 excluding those (but not excluding silk fabrics) on which the yield was below Rs. 50 lakhs a year are distributed among the States. Accordingly the duties on the following commodities are shareable with the States:—

1. Sugar.
2. Coffee.
3. Tea.
4. Tobacco.
5. Kerosene.
6. Refined diesel oils and vaporizing oils.
7. Diesel oil, not otherwise specified.
8. Furnace oil.
9. Asphalt and Bitumen.

10. Vegetable non-essential oils.
11. Vegetable product.
12. Pigments, colours, paints, enamels, varnishes, blacks and cellulose lacquers.
13. Soap.
14. Tyres and Tubes.
15. Paper.
16. Rayon and Synthetic fibres and yarn.
17. Cotton fabrics.
18. Silk fabrics.
19. Woollen fabrics.
20. Rayon or artificial silk fabrics.
21. Cement.
22. Pig Iron.
23. Steel Ingots.
24. Aluminium.
25. Tin plate and tinned sheets including in taggers and cuttings of such plates, sheets or taggers.
26. Internal combustion engines.
27. Electric motors and parts thereof.
28. Electric batteries and parts thereof.
29. Electric lighting bulbs and flourescent lighting tubes.
30. Electric fans.
31. Motor vehicles.
32. Cycles, parts of cycles other than motor cycles.
33. Footwear.
34. Cinematograph films exposed.
35. Matches.

The percentage share of each State in the net proceeds is as follows:—

State	Percentage
Andhra Pradesh	8·23
Assam	4·73
Bihar	11·56
Gujarat	6·45
Jammu and Kashmir	2·02
Kerala	5·46
Madhya Pradesh	8·46
Madras	6·08
Maharashtra	5·73
Mysore	5·82
Orissa	7·07
Punjab	6·71
Rajasthan	5·93
Uttar Pradesh	10·68
West Bengal	5·07
	100.00

In the current year, the amount payable to the States as their share of basic excise duties is now estimated at Rs. 79·02 crores as compared with the original estimate of Rs. 76·25 crores. Beside allowing for the improvement in the collections the revised estimates include Rs. 1·61 crores on account of short payment for 1961-62. In addition a sum of Rs. 17 lakhs is payable to Jammu and Kashmir State for 1961-62.

Following the increased collections the payment to the States next year is estimated at Rs. 90·36 crores. Provision for the payment to the States is made as expenditure from the Consolidated Fund of India.

The share of the States has been worked out as follows:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Total gross collections of divisible commodities	3,91,35	3,94,70	4,60,59
Deduct—Refunds	—2,42	—3,31	—3,45
Deduct—Cost of collection	—7,65	—5,18	—5,35
Net proceeds of divisible commodities	3,81,28	3,86,21	4,51,79
Amount payable to States	76,25	77,24	90,36
Adjustment on account of short payments in respect of 1961-62	..	+1,61	..
Adjustment for payment to Jammu and Kashmir for 1961-62	..	+17	
	76,25	79,02	90,36

The amount payable to each State has been shown in Statement IV.

Special Duties of Excise.—Under the Finance Act, 1963, a special surcharge on Central Excise Duty has been levied on some articles notably tobacco, motor spirit, refined diesel oils and vaporising oils, cement and tyres and tubes. These levies which are expected to yield Rs. 55·93 crores next year are exclusively for Union purposes and are, therefore, not shareable with the States.

Additional Duties of Excise.—The Additional Duties of Excise (Goods of Special Importance) Act, 1957, provides for the levy and collection of additional duties on sugar, tobacco, cotton fabrics, silk fabrics, woollen fabrics and rayon or artificial silk fabrics produced or manufactured in India. These duties are in addition to the duties payable under the Central Excises and Salt Act, 1944 or under any other law for the time being in force and replace, by agreement with the State Governments, the sales tax levied by them on these commodities.

The collections of the additional duties are now estimated at Rs. 46·23 crores this year as compared with the original estimate of Rs. 42·53 crores, due mainly to better realisations from the duties on sugar and tobacco. The collections next year allow for normal increase and have been placed at Rs. 47·86 crores.

The net proceeds of these duties after allowing for the cost of collection and refunds are distributed amongst the States in accordance with the provisions of Section 4 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957, read with the Second Schedule thereto, as amended in 1962, following the recommendations of the Third Finance Commission.

Accordingly the State of Jammu and Kashmir is paid 1½ per cent of the net proceeds. The other States are guaranteed certain amounts in

lieu of the loss on the abolition of Sales Tax on the various commodities subjected to additional duties. The excess if any, over the amounts guaranteed to the States, after deducting 1 per cent as the share attributable to the Union Territories is distributed among the States at the prescribed percentages. The amounts guaranteed to the States other than Jammu and Kashmir and the percentages according to which the balance reduced by the share of Union territories is distributed, are as shown below:

(Rupees in Lakhs)

State	Guaranteed amount	Percentage share of balance
Andhra Pradesh	235·24	7·75
Assam	85·08	2·50
Bihar	130·16	10·00
Gujarat	323·45	5·40
Kerala	95·08	4·25
Madhya Pradesh	155·17	7·00
Madras	285·34	9·00
Maharashtra	637·77	10·60
Mysore	100·10	5·25
Orissa	85·10	4·50
Punjab	175·19	5·25
Rajasthan	90·10	4·00
Uttar Pradesh	575·81	15·50
West Bengal	280·41	9·00
	3254·00	100·00

The amount payable to the States during the current year is now estimated at Rs. 45·77 crores, including Rs. 78 lakhs on account of arrears for the year 1961-62, as against the original estimate of Rs. 41·16 crores. In addition a sum of Rs. 12 lakhs is payable to Jammu & Kashmir State for 1961-62. The States' share next year is estimated at Rs. 46·54 crores.

The amount payable to each State has been shown in Statement IV.

Taxes on Income including Corporation Tax.—Broad details of Revenue are:

(In lakhs of Rs.)

	Accounts, 1961-62	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Corporation Tax—				
Ordinary Collections	1,56,42	1,78,30	1,87,35	2,02,00
Excess Profits Tax	15	10	10	..
Business Profits Tax	—11	5	5	..
Super Profits Tax	..	..	..	20,00
TOTAL	1,56,46	1,78,45	1,87,50	2,22,00
Taxes on Income other than Corporation Tax—				
Ordinary Collections	1,55,93	1,55,60	1,63,25	1,91,05
Surcharge (Central)	4,94	4,50	5,40	5,00
Surcharge (Special)	2,80	3,00	3,60	3,95
Additional Surcharge (Union)	..	..	..	18,00
Excess Profits Tax	32	20	20	..
Business Profits Tax	1,40	5	5	..
TOTAL	1,65,39	1,63,35	1,72,50	2,18,00
Grand Total—Corporation Tax and Taxes on Income	3,21,85	3,41,80	3,60,00	4,40,00

The revenue from Corporation Tax and Taxes on Income in the current year is now expected to exceed the original budget by Rs. 9·05 crores and Rs. 9·15 crores respectively. The increase is mainly due to larger collections of taxes paid in advance and better yields at source on dividends, interest and salaries.

Budget next year assumes an increase of Rs. 34·5 crores under Corporation Tax and Rs. 45·5 crores under Taxes on Income over the current year's Revised, reflecting the normal increase in revenue through this source and additional taxation through Finance and Super Profits Tax Acts, 1963.

While the Corporation Tax accrues in its entirety to the Centre, the net proceeds of Income-tax, except the tax attributable to Union emoluments, Union territories and Central surcharges, if any, are divisible between the Centre and the States. The Constitution (Distribution of Revenues) Order, 1962, provides that 66 2/3 per cent of the net proceeds of taxes on income, exclusive of the proceeds attributable to Union Territories or the taxes payable in respect of Union emoluments, shall be assigned to the States and distributed amongst them as follows:

State	Per cent.
Andhra Pradesh	7·71
Assam	2·44
Bihar	9·33
Gujarat	4·78
Jammu and Kashmir	0·70
Kerala	3·55
Madhya Pradesh	6·41
Madras	8·13
Maharashtra	13·41
Mysore	5·13
Orissa	3·44
Punjab	4·49
Rajasthan	3·97
Uttar Pradesh	14·42
West Bengal	12·09
	100·00

The current year's Budget provided for payment to the States of Rs. 94·70 crores as their share of the net proceeds of divisible taxes on income. The amount payable to them is now estimated at Rs. 95·27 crores, the increase being due to larger collection of income-tax partly counter-balanced by the recovery of excess payment of Rs. 19 lakhs during 1961-62. The States' share of Income-tax next year is estimated at Rs. 97·95 crores. The detailed calculations are given below:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Total Taxes on Income other than Corporation Tax excluding Central surcharge, Miscellaneous receipts and Advance payments	1,53,50	1,55,85	1,60,60
Deduct—Portion attributable to Union emoluments	—4,15	—5,60	—6,35
Deduct—Cost of collection	—3,65	—3,39	—3,55
Net	1,45,70	1,46,86	1,50,70
Portion attributable to Union Territories	—3,64	—3,67	—3,77
TOTAL—Divisible Pool	1,42,06	1,43,19	1,46,93
Amount payable to States	94,70	95,46	97,95
Adjustment on account of overpayments in respect of 1961-62	..	—19	..
Amount payable to States	94,70	95,27	97,95

As a result of the changes in the company tax structure brought about in 1960-61 and the consequent shrinkage in the divisible pool of income-tax, it was decided that the loss in the States' share would be made good by the payment of ad hoc grants until the matter was reviewed by the next Finance Commission. With the implementation of the recommendations of the Third Finance Commission, these grants ceased to be payable with effect from 1st April, 1962. On the basis of actuals for 1961-62, however, there has been a short payment to the extent of Rs. 1·49 crores which is being made good during the current year and for which provision is being made in the expenditure estimates.

The amounts payable to the States as their share of income-tax and as grants have been shown in Statement IV.

Estate Duty.—The entire net proceeds of Estate Duty on agricultural land are assigned to the States in which it is collected. In respect of the duty on property other than agricultural land, the Estate Duty (Distribution) Act, 1962, provides that the net proceeds collected during a year after deducting a sum equal to 1 per cent as being attributable to Union territories, be distributed to the States as under:

(a) The amount attributable to immovable property: in proportion to the gross value of the immovable property situated in the respective States.

(b) The balance: as under:

State	Per cent.
Andhra Pradesh	8·34
Assam	2·75
Bihar	10·78
Gujarat	4·78
Jammu and Kashmir	0·83
Kerala	3·92
Madhya Pradesh	7·51
Madras	7·80
Maharashtra	9·16
Mysore	5·46
Orissa	4·08
Punjab	4·71
Rajasthan	4·67
Uttar Pradesh	17·10
West Bengal	8·11
	100·00

The collections from Estate Duty in the current as well as the next year are estimated at Rs. 4 crores each. The States' share would amount to Rs. 3·88 crores each in both the years. The share of the States has been worked out as under:

(Rs. in thousands)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Agricultural land—			
Total gross collections	22,97	26,38	21,13
Deduct—Cost of collection	—51	—45	—45
Deduct—Net proceeds in respect of Union Territories	—20	—10	—10
Net amount to be distributed amongst States	22,26	25,83	20,58

(Rs. in thousands)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Property other than Agricultural land—			
Total gross collections	3,77,03	3,73,62	3,78,87
Deduct—Cost of collection	—7,64	—7,70	—7,70
Net proceeds	3,69,39	3,65,92	3,71,17
Less—Portion attributable to Union territories (1%)	—3,69	—3,66	—3,71
Net proceeds to be distributed amongst States	3,65,70	3,62,26	3,67,46
Total amount payable	3,87,96	3,88,09	3,88,04

The amount payable to each State has been shown in Statement IV.

Taxes on Wealth.—The Wealth Tax Act, 1957, provides for the levy of a tax on the net wealth of every individual and Hindu undivided family at the rates specified below:

	w.e.f. 1-4-57	w.e.f. 1-4-59	w.e.f. 1-4-62
(*a*) *Individuals—*			
(*i*) On the first Rs. 2 lakhs of net wealth	Nil	Nil	Nil
*(*ii*) On the next Rs. 10 lakhs of net wealth	½%	1%	1%
(*iii*) On the next Rs. 10 lakhs of net wealth	1%	1½%	1·75%
(*iv*) On the balance of net wealth	1½%	2%	2·5%
[*w.e.f. 1-4-62 "(ii) On the next Rs. 8 lakhs of net wealth"]			
(*b*) *Hindu undivided family—*			
(*i*) On the first Rs. 4 lakhs of net wealth	Nil	Nil	Nil
**(*ii*) On the next Rs. 9 lakhs of net wealth	½%	1%	1%
(*iii*) On the next Rs. 10 lakhs of net wealth	1%	1½%	1·75%
(*iv*) On the balance of net wealth	1½%	2%	2·5%
[**w.e.f. 1-4-62 "(ii) on the next Rs. 7 lakhs of net wealth"]			

The receipts from Wealth Tax this year are estimated at Rs. 9 crores. The Budget next year is placed at Rs. 9·4 crores and takes into account the effect of Finance Act, 1963.

Expenditure Tax.—The Expenditure Tax Act, 1957, as amended by the Finance Act, 1959, provided for the levy of expenditure tax on the taxable expenditure incurred by assessees and their dependants in the previous year, provided that the aggregate income of the assessee and his dependants after deduction of the other taxes payable on that income exceeded Rs. 36,000.

The levy of the tax was suspended with effect from 1st April, 1962 under the Finance (No. 2) Act of 1962. The receipts from the assessments in respect of earlier years were estimated at Rs. 10 lakhs this year but these are now expected on the trend of actuals to amount to Rs. 20 lakhs. Next Budget assumes a credit of Rs. 9·5 lakhs.

Gift Tax.—The Gift Tax Act, 1958, provides for the levy every year of a tax on gifts made during the previous year at the rates specified below:—

	Rate of gift tax
(1) On the first Rs. 50,000 of the value of all taxable gifts	4%
(2) On the next Rs. 50,000 of the value of all taxable gifts	6%
(3) On the next Rs. 50,000 of the value of all taxable gifts	8%
(4) On the next Rs. 50,000 of the value of all taxable gifts	10%
(5) On the next Rs. 1,00,000 of the value of all taxable gifts	12%
(6) On the next Rs. 2,00,000 of the value of all taxable gifts	15%
(7) On the next Rs. 5,00,000 of the value of all taxable gifts	20%
(8) On the next Rs. 10,00,000 of the value of all taxable gifts	25%
(9) On the next Rs. 10,00,000 of the value of all taxable gifts	30%
(10) On the next Rs. 20,00,000 of the value of all taxable gifts	35%
(11) On the balance of the value of all taxable gifts	40%

The collections from Gift Tax are now estimated at Rs. 95 lakhs in the current year as well as next year as compared with the current Budget of Rs. 85 lakhs.

Other heads.—The relevant details are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Land Revenue	67	69	70
State Excise Duties	1,82	2,15	1,57
Taxes on Vehicles	64	70	1,10
Sales Tax	5,81	6,62	8,68
Other Taxes and Duties	2,80	2,94	2,96
Stamps	3,95	4,50	4,70
Registration fees	14	15	16
TOTAL	15,83	17,75	19,87

The increase in the Revised under State Excise Duties reflects the trend of actual realisations during the year. The decline next year is mainly attributable to the discontinuance of the scheme of mixing power alcohol with petrol in Delhi.

The receipts from Taxes on Vehicles are expected to go up next year following the enhancement of rates in Delhi with effect from 1st April, 1963.

Sales Tax receipts are now estimated to go up to Rs. 6·62 crores this year and Rs. 7·18 crores next year as compared to the original Budget of

Rs. 5·81 crores as a result of progressibe increase in collections through this source. A part of the increase next year (Rs. 1·5 crores) is due to the changes effected in the Central Sales Tax Act.

The receipts under "Other Taxes and Duties" mainly represent the proceeds of the Terminal Tax, the Entertainment Tax and the Betting Tax in Delhi. The increase in the Revised is due to better realisation from Terminal Tax. This Tax is collected through the agency of the Delhi Municipal Corporation and the net proceeds reduced by the cost of collection are paid to the Corporation and other local authorities within the Union Territory of Delhi. Similarly, the net proceeds of the Entertainment Tax and the bulk of the Betting Tax are also made over to the Corporation and other local authorities, provision in all cases for the purpose being included in the expenditure estimates.

Larger receipts on account of the printing of new Government securities, as well as larger demand for postal and excise duty stamps explain the increase under Stamps.

Debt Services—Interest Receipts.—The relevant details are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
(*i*) Interest from State Governments	80,00	90,00	1,00,00
(*ii*) Interest from Railways	60,82	60,52	68,96
(*iii*) Interest from Posts & Telegraphs	4,78	4,78	5,71
(*iv*) Other Interest Receipts	21,91	21,19	42,38
TOTAL	1,67,51	1,76,49	2,17,05

The increase in the interest receipts from the State Governments in the current year is mainly due to the progressive increase in the grant of loans including ways and means advances. A part of the increase is also due to the provision for recovery of arrears of interest on loans for the Nagarjuna Sagar Project, the terms and conditions of which were finalised during the year. The further increase next year takes into account the arrears due in respect of loans for Kosi Project as well as the growing volume of loans for the implementation of the Plan schemes.

The increase next year in the interest receipts from the Railways and the Posts and Telegraphs is due to the increase in the capital at charge as well as in the rate of interest chargeable to Commercial Departments from 3·67 per cent to 3·77 per cent.

The shortfall under "Other Interest Receipts" during the current year is mainly due to absence of recovery of interest on the special loans advanced from the Iron & Steel Equalisation Fund to the Indian Iron & Steel Company and the Tata Iron & Steel Company. The recovery of interest was provided for on the assumption that the retention price to be fixed as a result of the Tariff Commission's recommendations would include an element of interest. But as this expectation did not materialise no recovery is being made this year. This shortfall, however, is partly counter-balanced by the recovery of arrears of interest on the loans granted to Shipping Companies.

Next year's estimates under Other Interest Receipts include provision for recovery of Rs. 17·86 crores from the Hindustan Steel Limited. The loans advanced to the Company upto 31st March, 1962 were consolidated last year into a single loan as on 1st April, 1962 carrying interest at 5 per cent and repayable after 20 years, the interest for the earlier period being waived. The growing volume of loans advanced to various parties, particularly, the undertakings in the Public Sector accounts for the rest of the increase next year.

Administrative Services.—The details by major heads of account are given below :—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Administration of Justice	24	27	26
Jails	1	3	3
Police	74	79	44
Supplies and Disposals	3,52	3,62	4,00
Miscellaneous Departments	1,60	2,04	2,03
TOTAL	6,11	6,75	6,76

The increase in the Revised under Police is due to the refund of excess payments made to certain State Governments for Police Battalions lent by them. This however is counter-balanced by absence of recoveries for Central Reserve Police Battalions which have been diverted to border areas in NEFA, Nagaland and Jammu & Kashmir. The fall next year is due to the absence of excess payment provided for in the Revised.

The increase under Supplies and Disposals this year as well as next year is mainly due to larger receipts of fees for purchase and inspection of stores by the Director General, Supplies and Disposals, the India Stores Department, London and the India Supply Mission, Washington, on behalf of the various Ministries of the Government of India, the State Governments and the Government undertakings.

Larger receipts than anticipated on account of the registration of Joint Stock Companies explain the increase in the Revised under Miscellaneous Departments.

Social and Developmental Services.—Details by major heads of account are as follows:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Education	50	62	63
Medical	71	59	54
Public Health	20	22	20

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Agriculture	1,59	1,47	1,68
Animal Husbandry	24	33	30
Co-operation	2	4	3
Industries	25,53	30,96	19,53
Broadcasting	3,59	4,10	4,16
Community Development Projects, National Extension Service and Local Development Works	3	5	5
Miscellaneous Social and Developmental Organisations	2,88	4,99	4,49
TOTAL	35,29	43,37	31,61

This group head shows an increase of Rs. 8·08 crores this year, the bulk of which occurs under the head 'Industries' on account of larger receipts from the surcharge on iron and steel. The surcharge representing the difference between the equalised selling price and the retention price determined on the recommendations of the Tariff Commission is transferred to the Iron and Steel Equalisation Fund under the provisions of the Iron and Steel Control Order, 1956, provision for the purpose being made in the expenditure estimates. The retention price was revised during the year with retrospective effect from 1st April, 1960 with the result that the surcharge collected in excess since that date had to be refunded to the producers. The refunds were adjusted against the dues outstanding from the producers which explains the increase of Rs. 5·5 crores in the receipts from surcharge during the current year. The receipts next year on account of surcharge are estimated at Rs. 18·3 crores, as against Rs. 30 crores during the current year. The steep fall is due to the reduced rate of surcharge following the increase in the retention price of steel and absence of provision for adjustment against refunds in the Revised.

The rest of the increase under this group head is the net result of variations over a number of heads. The receipts under Education and Broadcasting in both years are higher, on account of larger sale of text books in Delhi and more radio licence fees respectively, while the fall under Medical is due to the transfer of certain dispensaries to the Employees State Insurance Corporation. The decrease under Agriculture in the Revised is due to lesser receipts on fumigation of American cotton but next year the receipts on this account as well as from the Central Mechanised Farm at Suratgarh are expected to improve, which explains the increase under this head. The increase in the Revised under Miscellaneous Social and Developmental Organisations is mainly on account of arrear recovery for services rendered by the Indian Bureau of Mines and the Geological Survey and larger receipts of the Films Division as well as of import and export licence fees while lesser receipts from import fees, on account of restrictions on imports, and lesser provision for arrear recoveries explain the fall in the next budget.

Multipurpose River Schemes, Irrigation and Electricity Schemes.—Relevant details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
(*i*) Multi-purpose River Schemes and Irrigation, Navigation, etc. Works	2	4	3
(*ii*) Electricity Schemes	34	35	42
TOTAL	36	39	45

Progressive increase in the supply and distribution of electric power in Union territories explains the increase under this Head.

Public Works.—The Public Works receipts are now estimated at Rs. 4·11 crores this year and Rs. 4·38 crores next year as compared with the original budget of Rs. 4·02 crores, the increase being due mainly to larger recoveries of rents, etc., from Government property.

Transport and Communications.—The relevant details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Ports and Pilotage	34	38	48
Mercantile Marine	9	9	9
Lighthouses and Lightships	97	96	1,11
Aviation	1,14	1,18	1,17
Road and Water Transport Schemes	1,36	1,41	1,61
Overseas Communications Service	2,40	2,65	3,00
TOTAL	6,30	6,67	7,46

The increase under this section is mainly attributable to the expansion of the Road Transport Services in Himachal Pradesh and larger traffic handled by the Overseas Communications Service. A part of the increase next year is also due to the upward revision of the Lighthouse dues.

Currency and Mint.—The main items that comprise Currency and Mint receipts are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Currency and Coinage :			
1. Surplus profits of the Reserve Bank	43,50	43,50	44,50
2. Value of one rupee note forms	1,74	1,46	1,75
3. Value of unclaimed currency notes, etc.	2	3	2
Other receipts from the Currency Note Press	2,62	2,36	2,57
5. Profits from current circulation of small coins	6,50	7,20	7,20
6. Transfer of the profits outstanding under the suspense head "Profits on Coinage"	15,00	15,00	15,00
TOTAL	69,38	69,55	71,04

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V Balchandran
28.3.64

1958-59
1963-64

Plan assistance monthly,
Kolar gold purchases
one rupees notes for Rs 5 crore

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Mint :			
Miscellaneous Mint receipts	15	21	22
Kolar Gold Mines	..	80	2,42
GRAND TOTAL .	69,53	70,56	73,68

The surplus profits of the Reserve Bank transferable to Government will be Rs. 43·5 crores this year and Rs. 44·5 crores next year. Fall in the supply of notes of all denominations accounts for the decrease in the Revised under "Value of one rupee note forms" and "Other receipts from the Currency Note Press". Next budget allows for improvement to cope with the demand.

The profits from current circulation of small coins are now estimated at Rs. 7·2 crores this year as well as next year as compared with the original estimate of Rs. 6·5 crores, the increase being due to larger demand for the issue of coins of various denominations.

The accounting procedure for transactions relating to the coinage operations since 1956-57 is that the expenditure on purchase and acquisition of metal for coinage is charged to Capital and, the difference between the face value and the cost of the metallic content of coins put into circulation is taken as profit. Similarly, the difference between the face value and the metallic content of the coins returned as unfit for reissue and melted is treated as a loss and debited to the expenditure estimates.

A sum of Rs. 67·14 crores outstanding under the Suspense Heads "Profits from circulation of nickel, bronze and copper coins" and "Purchase and sale of Silver" to which the net profit on coins put into circulation was credited prior to 1956-57 was transferred to a new Suspense Head "Profits on Coinage" and was intended to be utilised as Deficit Neutralisation Reserve. Accordingly, a sum of Rs. 10 crores was transferred to Revenue in each of the years 1959-60 and 1960-61. The current Budget provides for a transfer of Rs. 15 crores on this account which is being repeated in the Revised as well as in the next Budget.

With effect from the 1st December, 1962, the Kolar Gold Mining Undertaking has been taken over by the Central Government from the Mysore Government. The Undertaking is treated as a Commercial Department and the gold extracted from the Mines is purchased by the Central Government at the official rate of Rs. 53·58 per 10 grammes; the receipt being treated as a revenue receipt under the head "Kolar Gold Mines" by per contra debit to the head "Capital Outlay on Currency and Coinage". The value of gold to be extracted from these mines and taken over on Government stocks during the next year is estimated at Rs. 2·42 crores.

Miscellaneous.—The details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Contribution and Recoveries towards Pensions and other retirement benefits	68	1,10	97
Stationery and Printing	1,13	70	76
Opium	5,01	4,24	4,51
Forest	3,97	4,63	4,82
Miscellaneous	13,77	14,95	13,87
TOTAL	24,56	25,62	24,93

The increase under contributions and recoveries towards pension is mainly due to larger number of Government servants deputed for service in Government owned autonomous undertakings. The Revised includes provision for arrear recoveries from the Overseas Communications Service, which is a Commercial Department. Absence of the arrear recovery explains the fall next year.

The decrease in the Revised under Stationery and Printing is due to less receipts from the sale of gazettes and other Government publications than originally anticipated.

The fall in the Opium receipts this year is due to the reduced demand for raw opium from foreign countries. Budget allows for some improvement.

The increase in forest receipts this year and next year is due to larger sale of timber and other forest produce in the Union Territories, particularly, Himachal Pradesh.

The main items under "Miscellaneous" are :—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Receipts in Goa, Daman & Diu	5,01	5,01	5,30
Receipts in Pondicherry	2,41	2,50	2,60
Rehabilitation receipts	3,48	3,63	3,35
Other receipts	2,87	3,81	2,62
TOTAL	13,77	14,95	13,87

The receipts in Goa and Pondicherry follow the trends of actuals and allow for normal growth next year.

The rehabilitation receipts mainly consist of sale proceeds of evacuee property which are transferred to Compensation Pool and certain miscellaneous receipts. The Revised is based on trends of actuals while the next budget reflects the decreasing receipts from this source.

The increase in the Revised under 'Other receipts' is mainly due to recovery of arrears of fees for Government Audit, transfer of pre-merger cash balances in Dadra and Nagar Haveli, recoveries on account of troops deputed for U.N. duties, and refund by Industrial Finance Corporation of subvention in respect of guaranteed dividend. Absence of provision for special recoveries and refunds explains the fall in the next Budget.

Contributions and Miscellaneous Adjustments.—The details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
(*i*) Contribution from Railways	21,04	20,71	24,15
(*ii*) Contribution from P. & T.	79	75	1,11
(*iii*) Dividends etc., from commercial and other undertakings	2,58	3,74	2,40
TOTAL	24,41	25,20	27,66

Contribution from Railways.—Until 1960-61, the Railways used to pay to the General Revenues a consolidated dividend of 4 per cent on their capital at charge other than the following:—

(a) Capital expended on unremunerative strategic lines.

(b) Capital expended on new lines, on which a moratorium during the period of construction and 5 years thereafter was allowed. From the 6th year after the opening of the lines to the traffic, the normal dividend of 4 per cent was payable and in addition deferred interest was recoverable for the period of the moratorium at the rate chargeable to Commercial Departments from the net earnings of the lines.

(c) The element of over-capitalisation in the Railway capital (Rs. 120·66 crores) on which interest at the rates chargeable to Commercial Departments was payable.

The Railway Convention Resolution, 1960 provided for the continuance of the above arrangements subject to the following modifications:—

(a) With effect from 1st April, 1961, the rate of dividend payable by the Railways to the General Revenues should be increased from 4 per cent to 4·25 per cent per annum.

(b) With effect from 1st April, 1961, the annual loss on the working of the strategic lines should be borne by the General Revenues.

(c) Till such time as the North-East Frontier Railway becomes productive or the next Convention Committee reviews the position, whichever is earlier, the rate of dividend on the capital at charge of this Railway, other than the strategic portion thereof, on which no dividend is payable, should be at the average borrowing rate of Government.

In the circumstances created by the Emergency and the requirements of the General Revenues for meeting the expenditure on Defence and also as a result of the rising costs of public borrowings, the rate of dividend payable on the capital at charge of the Railways was further reviewed in consultation with the Railways. It has been decided to increase the rate of dividend to 4½ per cent per annum with effect from 1st April, 1963.

Consequent on the abolition of the Tax on Railway Fares and its merger with the basic fares with effect from 1st April, 1961, the Railways have been paying a fixed contribution of Rs. 12·5 crores per annum since 1961-62. This fixed contribution which would continue until 1965-66 is distributed among the States as an *ad hoc* grant in lieu of the loss accruing to them as a result of the abolition of the Tax on Railway fares, provisions for the purpose being made in the expenditure estimates. The share of each State as recommended by the Third Finance Commission is as follows:

State	(Rs. in crores)
Andhra Pradesh	1·11
Assam	0·34
Bihar	1·17
Gujarat	0·68
Kerala	0·23
Madhya Pradesh	1·04
Madras	0·81
Maharashtra	1·35
Mysore	0·56
Orissa	0·22
Punjab	1·01
Rajasthan	0·85
Uttar Pradesh	2·34
West Bengal	0·79
	12·50

The dividend payable by the Railways during the current year is now estimated at Rs. 68·73 crores as against Rs. 69·36 crores assumed in the original budget, the drop being mainly attributable to a shortfall in the opening balance of the capital at charge due to less additional capital investment on the Railways during 1961-62 than originally anticipated. The next year's dividend has been placed at Rs. 80·61 crores in view of the increase in the capital at charge as well as in the rate of dividend. Of the total dividend, Rs. 53·01 crores this year and Rs. 61·08 crores next year will accrue as interest on capital at charge, Rs. 4·43 crores this year and Rs. 4·55 crores next year as interest on the element of over-capitalisation of Railway capital and Rs. 3·08 crores this year and Rs. 3·33 crores next year as interest on the non-strategic portion of the North-East Frontier Railway. The total interest receipts would thus amount to Rs. 60·52 crores this year and Rs. 68·96 crores next year. The contribution from Railways adjustable in this Section after deducting the loss on strategic lines, but including the *ad hoc* grant in lieu of tax on Railway fares, will consequently amount to Rs. 20·71 crores this year and Rs. 24·15 crores next year.

Contribution from Posts and Telegraphs.—Prior to 1960-61, the surplus of the P. and T. Department after payment of interest on the capital at charge, was merged with the General Revenues. A part of the surplus

was treated as an outright contribution to General Revenues and the balance retained *pro forma* by the Department on which abatement of interest was allowed. As these arrangements did not allow sufficient scope to the Department for utilising its surplus earnings to meet its growing needs, it was decided that with effect from 1st April, 1960, the Posts and Telegraphs Department may be placed in the same position as the Railways. Accordingly the Department now pays, like the Railways, a dividend to the General Revenues, at the rate in force from time to time for the Railways, on the mean capital at charge during the year. The balance of the surplus after payment of the dividend is retained by the Department for strengthening its reserves, particularly, Renewals Reserve. The Posts and Telegraphs Department has relinquished its claim for any part of its share of the accumulated surpluses of the past but in calculating the dividend payable to General Revenues, the amount of the capital at charge is, as a standing arrangement, reduced by the amount of the accumulated surplus amounting to Rs. 29·61 crores. The revised arrangement will be subject to review after five years.

Statement V gives the financial results of the working of the Posts and Telegraphs Department. Briefly the position is as under:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Gross Receipts	89,22	96,40	1,07,51
Working Expenses	75,30	83,00	87,54
Surplus	13,92	13,40	19,97

The increase in the gross receipts is mainly attributable to larger sale of stamps, more realisation of advance rentals under the Own Your Telephone Scheme and increased telephone rentals and call fees. Budget next year includes provision for progressive increase in revenue and also the increase in postal, telegraph and telephone rates effected under the Finance Act, 1963.

The increase in the working expenses this year is due mainly to rise in the rates of dearness allowance to departmental and extra-departmental employees with effect from 1st November, 1961; provision for expenditure on the P. and T. Services in Goa, Daman and Diu taken over by the P. & T. Department with effect from 1st September, 1962; more payments to the Railways, the Indian Airlines and other mail carriers and larger transfer to the Telephone Development Fund following the increase in the collection of advance rental under the "Own Your Telephone Scheme". Normal growth of expenditure and increase in the provision for petty works met out of Revenue, account for the further increase in the working expenses next year.

The surplus mentioned above will be utilised as follows:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Payment of dividend to General Revenues	5,57	5,53	6,82
Appropriation to Renewals Reserve Fund	8,35	7,87	13,15
TOTAL	13,92	13,40	19,97

The increase in the dividend payable next year follows the increase in the mean capital at charge, as also in the rate of dividend from 4¼ per cent to 4 1|2 per cent on the basis of the increase in the case of Railways with effect from 1st April, 1963.

The fall in the Revised in the Appropriation to the Renewals Reserve Fund is due to slightly lower surplus than anticipated, following the increase in working expenses; while the increase next year is consequent on the larger surplus.

Of the total dividend payable by the P. and T. Department, Rs. 4·78 crores this year and Rs. 5·71 crores next year will be adjusted as interest receipts. The balance of Rs. 75 lakhs this year and Rs. 1,11 lakhs next year will accrue as contribution to General Revenues. The increase in interest charges is attributable to the increase in the mean capital at charge and upward revision of the average rate of interest chargeable to Commercial Departments from 3·67 per cent this year to 3·77 per cent next year.

Dividends, etc. from Commercial and Other Undertakings.—The large increase in the Revised is due to the receipt of Rs. 1·58 crores as profits of the Life Insurance Corporation accruing to Government following the biennial valuation for the year ending 1961, partly offset by lesser dividend than anticipated from Oil India Ltd. Fall in the next budget is due to the absence of provision for profits of the Life Insurance Corporation partly counter-balanced by a slight increase in the dividend from Oil India Ltd.

The details of dividends earned from Government Commercial and industrial undertakings are given in Annexure XV.

Extraordinary Items.—The details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Extraordinary Receipts	40,00	54,00	45,00
Receipts connected with the National Emergency, 1962	..	9,00	33,00
TOTAL	40,00	63,00	78,00

Extraordinary Receipts.—A major portion of the rupee payments made to the U.S. authorities for the import of agricultural commodities under P.L. 480 is intended to be made available to the Government of India for utilisation on approved projects. The credit for such receipts is taken under Revenue or Public Debt according as the amount received is in the form of grant or loan. Simultaneously, an equivalent amount is transferred to the Special Development Fund by debit to the Expenditure Estimates.

The current year's Budget included a provision of Rs. 40 crores as grant from the U.S. Government under the P.L. 480 Aid Programme. On the basis of the latest estimates and progress of expenditure on the projects selected for assistance, the grant likely to be received is now estimated at Rs. 54 crores this year and Rs. 45 crores next year.

Receipts connected with the National Emergency, 1962.—The Emergency Risks (Goods) Insurance Act and the Emergency Risks (Factories) Insurance Act enacted during the year in the circumstances created by the Emergency provide for the compulsory insurance of goods, with certain exceptions, and of factories and inland vessels, in addition to any other insurance which may be available in the normal course. The Insurance Schemes have been brought into operation with effect from 1st January, 1963 all over India and the premium has been fixed at 15 nP. per 100 rupees of insurable value of goods and 25 nP. per 100 rupees of insurable value of factories. On the basis of the estimated value of goods and factories, which would be insured under the Schemes and the existing premium rates the receipts from the premia for the period from 1st January, 1963 to 31st March, 1963 are expected to amount to Rs. 2·7 crores on account of Goods Insurance and Rs. 6:3 crores on account of Factories Insurance, while next Budget after taking into account the effect of the Budget proposals reducing the rates of premium, assumes a credit of Rs. 9·8 crores and Rs. 23·2 crores respectively on this account. These receipts are initially credited to the Consolidated Fund as revenue receipts and a corresponding amount is transferred to the Emergency Risks (Goods) Insurance Fund and the Emergency Risks (Factories) Insurance Fund respectively, as required under the Emergency Risks Insurance Acts by including a provision for the purpose in the expenditure estimates. Provision for the administration of the schemes is also made in the expenditure estimates, the expenditure being simultaneously recovered from the two Funds.

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STATEMENT IV

STATEMENT SHOWING STATE-WISE DISTRIBUTION OF INCOME-TAX, GRANTS IN LIEU OF LOSS IN INCOME-TAX, UNION EXCISE DUTIES, ADDITIONAL EXCISE DUTIES, ESTATE DUTY AND GRANTS IN LIEU OF TAX ON RAILWAY PASSENGER FARES.

(In Lakhs of Rupees)

State	Budget Estimates, 1962-63					Revised Estimates, 1962-63						Budget Estimates, 1963-64				
	Income Tax	Union Excise Duties	Additional Excise Duties	Estate Duty	Grants in lieu of Tax on Railway Passenger Fares	Income Tax	Union Excise Duties	Additional Excise Duties	Estate Duty	Grants in lieu of loss in Income Tax (b)	Grants in lieu of Tax on Railway Passenger Fares	Income Tax	Union Excise Duties	Additional Excise Duties	Duty	Grants in lieu of Tax on Railway Passenger Fares
Andhra Pradesh	7,30	6,27	2,97	34	1,11	7,34	6,51	3,32	33	12	1,11	7,55	7,44	3,38	35	1,11
Assam	2,31	3,61	1,05	10	34	2,32	3,71	1,16	10	4	34	2,39	4,27	1,18	10	34
Bihar	8,83	8,81	2,10	40	1,17	8,89	9,10	2,56	39	15	1,17	9,14	10,45	2,63	40	1,17
Gujarat	4,53	4,92	3,67	18	68	4,55	5,05	3,92	21	8	68	4,68	5,83	3,95	18	68
Jammu and Kashmir	66	1,54	62	3	...	67	1,59	70	3	2	..	69	1,83	71	3	..
Kerala	3,36	4,16	1,29	16	23	3,38	17(a) 4,28	12(a) 1,47	17	5	23	3,48	4,93	1,52	16	23
Madhya Pradesh	6,07	6,45	2,11	28	1,04	6,11	6,65	2,43	29	10	1,04	6,28	7,64	2,48	29	1,04
Madras	7,70	4,64	3,58	38	81	7,75	4,82	3,97	37	13	81	7,96	5,49	4,05	36	81
Maharashtra	12,70	4,37	7,22	35	1,35	12,78	4,55	7,72	35	16	1,35	13,14	5,18	7,79	36	1,35
Mysore	4,86	4,43	1,42	23	56	4,89	4,60	1,66	22	8	56	5,02	5,26	1,70	22	56
Orissa	3,26	5,39	1,21	15	22	3,28	5,53	1,40	15	5	22	3,37	6,39	1,45	15	22
Punjab	4,25	5,12	2,17	18	1,01	4,28	5,26	2,42	18	6	1,01	4,40	6,06	2,45	18	1,01
Rajasthan	3,76	4,53	1,22	17	85	3,78	4,66	1,41	17	6	85	3,89	5,36	1,43	17	85
Uttar Pradesh	13,66	8,15	7,00	63	2,34	13,73	8,50	7,70	63	24	2,34	14,12	9,65	7,82	63	2,34
West Bengal	11,45	3,86	3,53	30	79	11,52	4,04	3,93	29	15	79	11,84	4,58	4,00	30	79
TOTAL	94,70	76,25	41,16	3,88	12,50	95,27	78,85 17(a)	45,77 12(a)	3,88	1,49	12,50	97,95	90,36	46,54	3,88	12,50

(a) For adjustment in respect of amount payable during 1961-62.

(b) Grants in lieu of loss in Income Tax represent short payments made during 1961-62.

STATEMENT V

Statement showing the financial results of the working of different Branches of the Indian Posts and Telegraphs Department

(In thousands of Rupees)

HEADS	Postal				Telegraphs				Telephones				Radios				Total			
	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64	Actuals, 1961-62	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
GROSS RECEIPTS																				
(*i*) Postage and Message Revenue	37,78,16	38,73,87	40,68,90	46,12,73	8,21,37	7,74,62	8,15,56	9,64,53	..	..	..	..	7,48	6,11	6,70	6,83	46,07,01	46,54,60	48,91,16	55,84,09
(*ii*) Miscellaneous	7,84,20	8,36,80	8,52,36	7,65,09	2,84,54	2,30,88	3,38,98	3,41,55	31,05,72	31,92,54	35,37,65	40,48,48	7,34	7,18	19,85	11,79	41,81,80	42,67,40	47,48,84	51,66,91
TOTAL	45,62,36	47,10,67	49,21,26	53,77,82	11,05,91	10,05,50	11,54,54	13,06,08	31,05,72	31,92,54	35,37,65	40,48,48	14,82	13,29	26,55	18,62	87,88,81	89,22,00	96,40,00	1,07,51,00
EXPENDITURE																				
General Administration	53,72	50,61	58,91	48,22	1,05,53	27,32	27,29	26,34	2,06,81	28,66	45,84	37,44	8,36	6,31	7,28	7,08	3,74,12	1,12,90	1,39,32	1,19,08
Stores and Workshops	..	..	..	..	..	91,52	90,00	87,53	..	1,75,51	1,83,01	2,03,83	..	2,15	1,37	2,35	..	2,69,18	2,74,38	2,93,71
Account & Audit	1,14,73	1,17,63	1,20,64	1,43,92	34,23	38,40	35,97	37,46	30,18	31,63	24,73	25,69	1,09	3,17	2,13	2,21	1,80,23	1,90,83	1,83,47	2,09,28
Control—Circle Offices	98,53	1,20,19	1,22,68	1,31,55	19,89	19,71	22,76	24,37	21,96	20,70	23,34	25,29	81	70	92	1,12	1,41,19	1,61,30	1,69,70	1,82,33
Engineering Expenses	..	..	..	..	1,76,61	1,98,68	2,09,92	2,24,06	67,08	84,72	89,79	96,25	7,78	8,00	5,54	5,97	2,51,47	2,91,40	3,05,25	3,26,28
Civil Engineering Wing	..	..	..	12,53	..	..	..	1,39	..	..	..	13,83	..	..	..	59	..	..	..	28,34
Pensionary Charges	1,76,65	1,90,68	2,13,23	2,05,33	40,20	44,94	48,31	47,46	58,07	59,94	71,30	69,80	1,90	2,07	2,33	2,25	2,76,82	2,97,63	3,35,17	3,24,84
Stamps, Postcards, Printing & Stationery	3,32,44	3,57,57	4,32,78	4,06,74	36,51	38,36	48,96	43,80	19,80	29,86	25,82	23,02	2,18	48	56	50	3,90,93	4,26,27	5,08,12	4,74,06
Maintenance of Assets	55,55	79,60	68,80	27,48	1,38,61	1,89,68	1,77,84	64,12	5,09,99	6,12,47	6,78,32	1,82,58	6,99	18,25	15,04	5,82	7,11,14	9,00,00	9,40,00	2,80,00
Expenditure on Petty & Other Works	..	..	..	46,46	..	..	..	1,44,95	..	..	..	6,77,33	..	..	..	11,26	..	..	..	8,80,00
Postal Expenses (including cost of combined offices)	40,11,17	41,41,37	45,67,51	47,58,56	..	..	..	..	..	..	..	..	..	..	..	..	40,11,17	41,41,37	45,67,51	47,58,56
Telegraph Traffic Expenses (excluding cost of combined offices)	..	..	..	..	3,67,15	3,86,73	4,17,48	4,43,20	..	..	..	..	..	..	..	..	3,67,15	3,86,73	4,17,48	4,43,20
Radio Expenses	..	..	..	..	..	..	..	..	..	..	..	..	20,93	22,30	26,14	28,20	20,93	22,30	26,14	28,20
Telephone Expenses	..	..	..	..	..	..	..	..	8,52,53	9,59,22	10,07,23	10,85,60	..	..	..	..	8,52,53	9,59,22	10,07,23	10,85,60
Contribution to Telephone Development Fund	..	..	..	..	..	..	..	..	1,35,00	90,00	1,65,00	1,30,00	..	..	..	..	1,35,00	90,00	1,65,00	1,30,00
Inter-Branch Adjustments	—1,52,94	—1,74,01	—1,63,88	—1,78,93	—32,76	+80,60	—1,93	—4,33	+2,07,32	+1,12,51	+2,12,13	+2,10,61	—21,62	—19,10	—46,32	—27,35	..	..	..	..
TOTAL	46,89,85	48,83,64	54,20,67	56,10,86	8,85,67	11,15,94	10,76,60	11,40,35	21,08,74	22,05,22	25,26,51	27,81,27	28,42	44,33	14,99	40,00	77,12,68	82,49,13	90,38,77	95,63,48
Deduct—Credits to Working Expenses	3,99,61	4,28,40	4,20,80	4,32,37	87,41	1,16,67	1,20,19	1,25,29	1,67,81	1,71,02	1,95,01	2,45,66	2,32	3,04	3,27	6,36	6,57,15	7,19,13	7,39,27	8,09,68
Net Working Expense	42,90,24	44,55,24	49,99,87	51,69,49	7,98,26	9,99,27	9,56,41	10,15,06	19,40,93	20,34,20	23,31,50	25,35,61	26,10	41,29	11,72	33,64	70,55,53	75,30,00	82,59,50	87,53,80
Net Receipts	+2,72,12	+2,55,43	—78,61	+2,08,33	+3,07,65	+6,23	+1,98,13	+2,91,02	+11,64,79	+11,58,34	+12,06,15	+15,12,87	—11,28	—28,00	+14,83	—15,02	+17,33,28	+13,92,00	+13,40,50	+19,97,20
Deduct—Dividend to General Revenues	38,38	40,68	41,45	47,95	1,93,82	2,21,27	2,15,39	2,65,58	2,58,46	2,86,96	2,88,57	3,58,74	6,90	8,27	7,86	10,10	4,97,56	5,57,18	5,53,27	6,82,37
Appropriation to Renewals Reserve Fund	10,00	10,00	10,00	10,00	1,00,00	1,50,000	1,50,00	1,50,00	11,20,72	6,69,82	6,12,23	11,49,83	5,00	5,00	15,00	5,00	12,35,72	8,34,82	7,87,23	13,14,83
Balance	+2,23,74	+2,04,75	—1,30,06	+1,50,38	—13,83	—3,65,04	1,67,26	—1,24,56	—2,14,39	+2,01,56	+3,05,35	+4,30	—23,18	—41,27	—8,03	—30,12	..	..	..	..
Appropriation to P. & T. Development Fund	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Appropriation to Revenue Fund	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

ESTIMATES OF EXPENDITURE MET FROM REVENUE

A mention has been made in paragraph 6 of Part I of the Introductory Note about the difference in treatment in figures shown in the Demands for Grants and those included in the Annual Financial Statement as summarised in Statement No. I. While the Demands for Grants are for the actual expenditure exclusive of recoveries, the figures in Statement No. I are for net expenditure after adjustment of the recoveries. The statement below reconciles the figures given in the Demands and those shown in Statement No. I.

(In lakhs of Rs.)

	Budget Estimate, 1962-63	Revised Estimate, 1962-63	Budget Estimate, 1963-64
Total gross expenditure met from Revenue as shown in the demands for grants	15,83,41·05	17,44,19·35	20,78,82·42
Deduct—			
(*a*) Recoveries (shown in Annexure XI) adjustable in reduction of gross expenditure and taken into account in working out the net expenditure shown in Statement I .	96,87·45	1,07,77·48	1,01,31·89
(*b*) Receipts of the Defence Services taken into account in working out the net expenditure on Defence Services shown in Statement I .	15,66·69	17,70·79	17,59·40
(*c*) Expenditure on Posts and Telegraphs Department (including dividend and appropriation From Surplus) . . .	89,22·00	96,40,00	1,07,51·00
TOTAL—DEDUCTIONS . . .	2,01,76·14	2,21,88·27	2,26,42·29
Total expenditure shown in Statement I of this Memorandum	13,81,64·91	15,22,31·08	18,52,40·13

A Summary of the Expenditure Estimates by broad categories is given in Statement No. I at the commencement of this Section. Further details by heads of account together with brief notes explaining the variations between the current budget, the revised estimates and the next budget are given in the notes below.

As explained earlier, these figures do not agree with those shown in the individual Demands. This is due to two factors. In the first place, in most cases, the same major head appears in more than one Demand and secondly, while recoveries are taken in the accounts in reduction of expenditure, the figures in the Demands are for gross expenditure excluding recoveries.

COLLECTION OF TAXES, DUTIES AND OTHER PRINCIPAL REVENUES

The expenditure under this group head is mostly on tax collection by the Union and in respect of Union Territories and Tribal Areas. The share of Union Excise Duties payable to the State Governments under Article 272 of the Constitution has been transferred to Section "Contributions and Miscellaneous Adjustments" with effect from 1st April 1961.

Likewise, the provision for the payment of the net proceeds of certain taxes and duties, such as, Terminal Taxes, Entertainment Taxes, Taxes on Vehicles, etc. to local bodies has been transferred from this group head to the head "Other Miscellaneous Contributions and Assignments" in Section "Contributions and Miscellaneous Adjustments".

Details by heads of account are given below:—

(In lakhs of Rs.)

Heads	Budget 1962-63	Revised 1962-63	Budget 1963-64
Customs	4,01	4,01	4,18
Union Excise Duties	7,96	8,29	8,53
Corporation Tax	46	54	57
Income Tax	5,38	5,58	5,91
Estate Duty	9	9	9
Taxes on Wealth	25	29	30
Expenditure Tax	3	1	..
Gift Tax	3	3	3
Land Revenue	81	67	68
Estate Excise Duties	42	33	6
Taxes on Vehicles	4	4	5
Sales Tax	14	15	15
Other Taxes and Duties	20	28	23
Stamps	2,74	2,74	3,03
Registration Fees	2	2	2
TOTAL	22,58	23,07	23,83

Customs.—Besides providing for normal growth, Rs. 11 lakhs have been included in the Budget next year for purchase of launches.

Union Excise Duties.—The increase with effect from 1st November, 1961, in the rates of dearness allowance payable to employees drawing basic pay up to Rs. 400 p.m. accounts for the increase in both the years. Budget also allows for normal growth.

Corporation Tax, Income-tax, Estate Duty, Tax on Wealth, Expenditure Tax and Gift Tax.—All the taxes mentioned above are administered by a single department, *viz.*, the Income-tax Department. The entire charges for collection have, therefore, to be suitably allocated over the other heads. Up to 1961-62 the charges were distributed in proportion to the total collections. As this method of allocation was considered inequitable, a revised formula was adopted last year with retrospective effect from 1955-56 after consultation with the Comptroller and Auditor-General. The cost of collection is now computed at 0·029 per cent of the total collection of Corporation Tax and 2·038 per cent of the total collections under Estate Duty, the balance of the expenditure being distributed amongst the remaining heads in proportion to the gross revenue collections in respect of those heads.

Upward revision in the rates of dearness allowance of low-paid employees and creation of additional posts as a result of the implementation of the recommendations of the Direct Taxes Administration Enquiry

Committee account for the increase in the current year. Budget provides for normal growth and full year's effect of the additional posts created during the current year.

Land Revenue.—Drop in both the years is mainly due to slowing down of certain developmental schemes in Tripura as a result of Emergency.

State Excise Duties.—The discontinuance of the purchase of power alcohol by the Delhi Administration with effect from November 1962 accounts for the saving in both the years.

Other Taxes and Duties.—Absence of arrear payments in Delhi accounts for the small drop in the Budget next year.

Stamps.—Larger provision for purchase of stores by the India Security Press to meet its growing requirements and provision for normal increments mainly account for the increase next year.

DEBT SERVICES

(In lakhs of Rs.)

Heads	Budget 1962-63	Revised 1962-63	Budget 1963-64
Interest on Debt and Other Obligations . . .	2,42,90	2,41,03	2,75,24
Appropriation for reduction or avoidance of debt .	5,00	5,00	5,00
TOTAL . .	2,47,90	2,46,03	2,80,24

Interest on Debt and Other Obligations.—The broad details are:—

	Budget 1962-63	Revised 1962-63	Budget 1963-64
Debt raised in India	96,32	95,34	1,06,45
Debt raised outside India	49,05	45,40	59,40
Floating Debt	29,40	30,00	33,00
Savings Bank, Cash Certificates and National Plan Savings Certificates	36,88	37,12	39,68
State Provident Funds	12,18	13,31	14,53
Railway Funds	3,10	3,41	3,96
Other Items	15,97	16,45	18,22
TOTAL GROSS . .	2,42,90	2,41,03	2,75,24

Debt raised in India.—The original Budget had estimated the receipts from new market loans and Prize Bonds at Rs. 260 crores. Actual realisations in the current year are now estimated at Rs. 292 crores. Bulk of the increase is due to sale of the new 4¼ per cent National Defence Bonds, 1972, and 6½ per cent Gold Bonds, 1977, introduced after the emergency, on which interest would be payable next year. Provision for interest on the new market borrowings was made in the original Budget on the assumption that they would carry an average rate of 4¼ per cent. The average rate actually allowed was a little less which explains the saving in the current year. A part of the saving is also due to the offer of conversion facilities to the holders of 2¾ per cent. Loan, 1962, earlier than its date of maturity.

The increase next year is due to the provision for the interest on the new market loan of Rs. 400 crores expected to be floated during the year and to the full year's effect of the conversion into dated securities of *ad hoc* Treasury Bills of the value of Rs. 50 crores brought about on 28th December, 1962. Part of the increase is also attributable to the interest on the new National Defence Bonds and Gold Bonds issued during the current year. The target of market borrowing of Rs. 400 crores includes Rs. 100 crores to be raised on behalf of the State Governments following the decision taken by the National Development Council to float combined loans for the Central and State Governments next year.

Debt raised outside India.—The details are:—

(In lakhs of Rs.)

Heads of Expenditure	Budget 1962-63	Revised 1962-63	Budget 1963-64
(*i*) Sterling Loans	9,09	8,52	10,74
(*ii*) Interest on Dollar Loans from IBRD	10,49	9,89	11,70
(*iii*) Interest on other American Loans	9,07	7,25	10,64
(*iv*) Interest on Loans from U.S.S.R.	1,60	1,37	2,45
(*v*) Interest on Canadian credit for purchase of wheat	50	15	78
(*vi*) Interest on U.S. EXIMBANK credit	4,25	3,48	4,56
(*vii*) Interest on Japanese EXIMBANK credit	1,22	1,20	1,30
(*viii*) Interest on Loans from the Federal Republic of Germany	7,33	7,63	8,19
(*ix*) Interest on P.L. 480 American Loans	3,84	3,84	7,19
(*x*) Interest on loan from Kuwait	1,41	1,79	1,38
(*xi*) Other items	25	8	47
TOTAL	49,05	45,40	59,40

(i) The loan obtained from Messrs Lazard Bros. for financing Durgapur Steel Works carry interest at 1 per cent. above the U.K. Bank rate with a minimum of 4½ per cent. The reduction in the U.K. Bank rate from 7 per cent. to 4½ per cent. is mainly responsible for the saving in the current year.

The increase next year is due to estimated larger utilization of credits in both the years under the Export Credit Guarantee Agreements.

(ii) Provision has been made for payment of interest on account of Railway Project Loans, Bokaro-Konar Loans (D.V.C. 1), Second and Third D.V.C. Loans and Koyna Project Loan and Coal Industry Loan. The drawals from the World Bank, this year and next year are anticipated at Rs. 25·04 crores and Rs. 12·96 crores respectively against the estimate of Rs. 35·24 crores assumed in the original budget. The saving in interest payment this year is due to less drawals of loans by the Railways and D.V.C. in the preceding year and by the Coal Industry this year. Further loans from the World Bank for these projects account for the increase next year.

(iii) This head accommodates provision for payment of interest on Development Assistance Loans, Loans from the United States Agency for International Development and U.S. President's Asian Economic Development Fund. Details of these loans are given in Annexure XV.

Against the anticipated receipt of Rs. 48·61 crores, the loans actually received last year were Rs. 37·21 crores. In some cases, the credits were utilized later than what was envisaged earlier. Further, the instalment of interest payable on one of the Development Assistance Loans on 31st March, 1963, which happens to be a Sunday, will be paid on April 1, 1963. These account for the saving in the Revised this year. Provision for payment of interest on loans to be negotiated in the current year and the next year accounts for the increase in the Budget.

(iv) Includes interest for the loans obtained from the U.S.S.R. for the various public sector projects like Bhilai Steel Project, Heavy Machines Building Plant, Optical Glass Factory, coal mining machinery plant, Barauni Petroleum Refinery, Neyveli Power Plant, Korba Thermal Power Station etc. The increase next year is on account of further credits of Rs. 60·43 crores expected to be made available by the U.S.S.R. for various projects.

(v) Interest payments on the loan under the agreements signed with the Government of Canada in 1959 for a total sum of $ 33·8 million for the purchase of wheat and flour are accounted for here. The loans bear interest at 4½ per cent per annum. The saving in the Revised is on account of the payment of Rs. 35 lakhs due on 31st March, 1963, which is a Sunday, being paid on 1st April, 1963. Provision for the extra payment next year accounts for the increase in the Budget.

(vi) This covers interest on loans from the U.S. EXIMBANK under the various credit agreements for the purchase of U.S. equipment, machinery, etc. for irrigation and reclamation, power, transport and communications, mining industries like aluminium, textiles, chemicals, engineering, automobiles and machine tools and for the purchase of Boeing jets for the Air India International. The credits carry interest from 5¼ per cent. to 5¾ per cent. The anticipated drawals during the two years have been estimated Rs. 29·98 crores this year and Rs. 13·11 crores next year against the original estimate of Rs. 26·24 crores. Less drawal of loans in the preceding year than anticipated earlier accounts mainly for the saving in the current year. The increase next year allows for the loans likely to be drawn during the two years.

(vii) Provision is made here for the interest on the credits of 18 billion Yen (Rs. 23·81 crores) and 28·8 billion Yen (Rs. 38·09 crores) under the agreements of 4th February, 1958 and 18th August, 1961 with the EXIM BANK of Japan for the import of capital goods from that country. The first is repayable within ten years and bears interest at the rate charged by the World Bank which at present is 5¾ per cent. The second credit is for a period of fifteen years and bears interests at 6 per cent per annum. The anticipated credits on account of these loans are Rs. 4·18 crores this year and Rs. 10·52 crores next year.

(viii) Includes provision for interest on the various West German credits mainly for Rourkela Steel Plant and for importing capital goods from that country. The credits expected are Rs. 30·73 crores this year and Rs. 6 crores next year. The increase in the current year is due to the agreement to prolong the repayment of a part of Rourkela credit which has technically been treated as having been repaid and replaced by a fresh credit. Budget next year makes an allowance for the interest to be paid on the credits likely to be received during the two years.

(ix) The large increase in the Budget is due to interest payable on the loans received under the first P.L. 480 Agreement of August 1956 which was interest-free for the first three years. A part of the increase is also

attributable to the loans to be drawn from P.L. 480 Funds in the current and the next year.

(x) With the introduction of a new local currency, special Indian notes and Indian coins which were in circulation in Kuwait were withdrawn from 1st April, 1961. Under an agreement with the Government of Kuwait, the value of all Indian currency and coins transferred to India has been treated as a loan to the Government of India. The loan is repayable in sterling in eleven annual instalments beginning from 1st July, 1961, and bears interest at the rate of 4¾ per cent. The total interest payments on this account are Rs. 1·79 crores this year and Rs. 1·38 crores next year.

(xi) This covers interest on loans from Switzerland, Czechoslovakia, Yugoslavia, Poland and Austria and also for service charges at ¾ per cent on credits obtained from International Development Association which do not bear any interest. Late utilisation of credits from International Development Association and less drawal of loans from other countries account for the saving this year. Budget next year provides for the interest to be paid on the credits likely to be received in both the years.

Floating Debt.—This head provides for the payment of interest on the treasury bills issued to the public, State Governments, State Bank of India and other parties and also in favour of the Reserve Bank of India for replenishing Government balances from time to time. Treasury Bills have a currency of 91 days and, unless discharged on maturity, are treated as having been repaid and simultaneously re-invested. The issue of treasury bills at a more rapid rate in earlier part of the year than anticipated, accounts for the increase in the current year. The increase next year is on account of anticipated expansion of *ad hoc* treasury bills in the two years to cover the overall deficit. A part of this increase would be offset by the saving caused by the conversion of *ad hoc* treasury bills of the value of Rs. 50 crores into dated securities on 28th December, 1962.

Savings Bank, Cash Certificates and National Plan Savings Certificates.—The larger requirements next year are mainly due to the progressive increase in the amounts invested in National Plan Savings Certificates from year to year. A part of the increase is also due in both the years to the increase in the rate of interest on Post Office Savings Bank deposits by ½ per cent from 1st August 1962.

State Provident Funds.—Normal growth in the credits in these Funds and also increase in the rate of interest from 3¾ per cent to 4 per cent account for the additional requirements in both the years. The rate of interest allowed to the subscribers to these Funds, except some earlier subscribers who are entitled to 4 per cent is determined every year on the basis of the average redemption yield during the five calendar years immediately preceding, on all Government of India rupee loans with unexpired maturity exceeding five years, rounded off to the nearest quarter.

Railway Funds.—The balances in these Funds earn interest from General Revenues at the average rate which is determined on the basis of total interest payable on all outstanding rupee loans including the annual write-back to revenue of the discount paid on loans floated in earlier years and the cost of management of public debt. The increase in the interest payable in the current year is due to larger accrual to the Railway Development Fund following increase in their revenue surplus in the

preceding year. Further improvement in the balances and larger accretions to the Railway Depreciation and Development Funds account for the increase next year. A part of the increase is also due to the increase in the average rate of interest from 3·65 per cent to 3·67 per cent this year and 3·77 per cent next year

Other Items.—Prior to 12th May, 1960, the rupee equivalent of the dollar cost of surplus agricultural commodities imported from the United States of America under P.L. 480 were deposited with the State Bank of India who invested them in Government of India treasury bills and other market loans. With effect from 12th May, 1960 onwards the moneys received by the American authorities are directly deposited with the Reserve Bank who, in turn, are investing them in special securities of the Government of India on which interest at 1½ per cent per annum is paid. These securities are non-negotiable and are repayable on demand. As compared with the original expectation of Rs. 90 crores, a net sum of Rs. 60 crores this year and Rs. 90 crores next year are expected to be deposited in these securities. These include Rs. 50 crores this year and Rs. 30 crores next year by way of transfer from the State Bank of India of the moneys formerly deposited with that Bank. This head also accommodates interest on Ten Year Treasury Savings Deposit Certificates, now Defence Deposit Certificates, and also Prizes paid and other charges incurred in respect of the Five Year Interest-free Prize Bonds, 1965 and the Premium Prize Bonds, 1963. The charges payable to the Reserve Bank for the management of public debt, commission to authorised agents on the sale of Savings Certificates and interest on Shipping Development Fund are also provided here. The increase in the Revised is due to the adjustment of arrear interest on the balances at credit in the Shipping Development Fund and also partly to the decision to pay interest on the provisional balance within the year instead of in the following year as in the past. Larger receipts of the P.L. 480 deposits and progressive increase in the sale of Treasury Savings Deposit Certificates, now Defence Deposit Certificates, account for the increase next year.

Debt Redemption.—The usual provision of Rs. 5 crores has been made in both the years for which corresponding credit is taken under the deposit head "Appropriation for reduction or avoidance of Debt—Other Appropriations".

ADMINISTRATIVE SERVICES

Broadly, the expenditure under this group head relates to administrative and ancillary services and the day-to-day running of the administration at the Centre and in the Union Territories, other than on tax collection which is recorded under the group head "Collection of Taxes, Duties and other Principal Revenues". The expenditure on Parliament, State Legislatures and Elections is also accommodated under this group head. Broad details are :—

(In lakhs of Rs.)

Heads	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Parliament and State Legislatures	3,12	3,09	2,88
General Administration	18,32	18,47	19,71
Audit	9,09	9,11	9,71
Administration of Justice	59	61	61
Jails	22	23	25
Police	19,37	25,62	33,53
External Affairs	12,98	12,71	15,17
Supplies and Disposals	3,18	3,15	3,21
Miscellaneous Departments	3,44	3,40	3,21
TOTAL	70,31	76,39	88,28

Parliament and State Legislatures.—The fall in the Budget is due to less payment to States as contributions towards Elections expenses.

General Administration.—Revision of the rates of dearness allowance of employees drawing pay up to Rs. 400 per month, grant of children's education allowance and purchase of additional equipment, vehicles, etc., for the Intelligence Bureau explain the increase in the Revised. Budget provides for normal growth as well as for further expansion of Intelligence Bureau and re-organisation of the administrative machinery of North-East Frontier Agency and Naga Hills and Tuensang Area.

Audit.—Normal growth and increased work-loads of the Audit Department consequent upon the growing tempo of developmental outlays of both the Centre and the States account for the increase next year.

Police.—The relevant details are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Delhi	2,50	2,58	2,96
Himachal Pradesh	71	75	88
Andaman and Nicobar Islands	25	31	25
Manipur	77	91	1,06
Tripura	61	92	2,80
Tribal Areas	6,22	7,19	7,22
Naga Hills and Tuensang Area	1,45	1,45	2,50
Other Union Territories	3	2	3
Other Police Expenditure	6,83	11,49	15,83
TOTAL	19,37	25,62	33,53

Delhi.—Strengthening of the Delhi Police accounts for the increase in both the years.

Himachal Pradesh.—Increase in Budget is due to conditions created by Emergency.

Manipur.—Raising of two additional battalions of Manipur Rifles and expansion of Police Wireless Grid account for the increase in both the years.

Tripura.—Larger provision for border check posts as well as further measures for strengthening the Police forces account for the increase in both the years.

Tribal Areas.—The increase in the Revised is due to the post-budget decision to revise the scales of pay and allowances for Assam Rifles with effect from 1st April, 1961, following the increase in the allowances payable to the Army personnel. A part of the increase is also due to larger provision for border check posts and other security measures.

Naga Hills and Tuensang Area.—Budget provides for larger expenditure on additional Police Battalions.

Other Police Expenditure.—The additional Police Battalions for border police, re-imbursement of expenditure incurred on Jammu and Kashmir Militia, raising of Indo-Tibetan Border Police Force and additional battalions for Central Reserve Police mainly account for the increase in the Revised. Full year's provision for Indo-Tibetan Border Police Force, larger payments to States for additional battalions and strengthening of border check posts explain the further increase next year.

External Affrais.—The increase next year is mainly due to the increase in the payment of subsidy payable to Sikkim and Bhutan for developmental purposes. As compared with the original provision of Rs. 4·14 crores, the subsidy payable is now estimated at Rs. 4·39 crores this year and Rs. 6·98 crores next year.

Miscellaneous Departments.—Provision has been made in the Budget next year for the Food Wing of the Central Public Works Department which is being transferred under the administrative control of the Food Department. The additional expenditure of Rs. 1·98 crores on this account will however be more than offset by the recovery of Rs. 2·24 crores for the issue of stores and stock likely to be consumed on the works relating to the Food Department. This explain the drop in the Budget next year.

SOCIAL AND DEVELOPMENTAL SERVICES

The broad details of the expenditure in this section are as follows:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised 1962-63	Budget 1963-64
Scientific Departments	31,24	26,71	30,14
Education	32,10	30,01	30,03
Medical	6,86	6,60	7,70
Public Health	5,45	4,66	4,85
Agriculture	9,24	8,48	8,61
Rural Development	1	1	1
Animal Husbandry	1,43	1,16	1,27
Co-operation	3,47	3,42	3,91
Industries	48,42	51,97	43,35
Broadcasting	5,01	4,54	5,04
Community Development, National Extension Service and Local Development Works	2,32	2,21	1,92
Labour and Employment	5,95	5,42	6,71
Miscellaneous Social and Developmental Organisations	11,69	12,04	11,81
Capital Outlay on Industrial Development met from Revenue	5	3	5
TOTAL	1,63,24	1,57,26	1,55,40

Scientific Departments.—The details are:—

(In lakhs of Rs.)

	Budget 1962-63	Revised 1962-63	Budget 1963-64
(*i*) Archaeology	1,25	1,17	1,11
(*ii*) Survey of India	2,83	2,44	2,99
(*iii*) Botanical Survey	30	20	28
(*iv*) Geological Survey	3,23	2,92	3,84

(In lakhs of Rs.)

	Budget 1962-63	Revised 1962-63	Budget 1963-64
(*v*) Zoological Survey	25	16	20
(*vi*) Meteorology	2,00	1,92	1,95
(*vii*) Atomic Energy Research	7,41	7,30	8,41
(*viii*) Scientific Research—			
(*a*) Grants to CSIR	5,55	5,27	5,00
(*b*) Grants to Others	5,15	2,90	3,17
(*ix*) Indian Bureau of Mines	2,03	1,34	2,01
(*x*) Other Items	1,24	1,09	1,18
TOTAL	31,24	26,71	30,14

The saving in the Revised is mainly due to the receipt of a grant of Rs. 1·5 crores out of P.L. 480 Funds for financing certain engineering and technical research schemes, larger recoveries for surveys undertaken on behalf of State Government and less receipt of stores and equipment for the Bureau of Mines. Atomic Energy Research next year will cost Rs. 1·11 crores more due mainly to larger grants to the Tata Institute of Fundamental Research, Physical Research Laboratory, Saha Institute of Nuclear Physics, Indian Cancer Research Institute, Bombay and Tata Memorial Hospital, Bombay. The grant payable to the Indian Institute of Technology, Kanpur is now estimated at Rs. 95 lakhs this year and Rs. 1·23 crores next year. Budget also provides for the expansion of the activities of the Geological Survey, Survey of India and the Indian Bureau of Mines to cope with the increased tempo of work in the schemes included in the Third Plan.

Education.—The saving in the current year is mainly due to less grants to the University Grants Commission (Rs. 71 lakhs) and other institutes (Rs. 66 lakhs), non-materialisaion of the scheme for construction of buildings for National Children's Museum and Bal Bhavan (Rs. 7 lakhs) and financing of some of the schemes of the Indian Institute of Technology, Kanpur through P.L. 480 Funds (Rs. 67 lakhs). These savings, however, will be partly counter-balanced by larger requirements for the National Discipline Scheme to meet the situation created by the Emergency (Rs. 18 lakhs) and of Delhi with the opening of more schools and payment of increased dearness allowance (Rs. 52 lakhs). The increase of Rs. 2 lakhs in the Budget is the net result of several variations. The National Discipline Scheme will require Rs. 1·18 crores more. Likewise, expenditure on education in Delhi will increase by Rs. 27 lakhs. These increases, however, will be counter-balanced by a drop of Rs. 62 lakhs in the grant payable to the University Grants Commission and Rs. 44 lakhs in the grants to various Technological Institutes and recovery of Rs. 33 lakhs for the schemes of the Indian Institute of (Technology, financed out of P.L. 480 Funds.

Medical.—The saving in the Revised is due to a fall in the grants payable to the All India Institute of Medical Sciences (Rs. 13 lakhs) and for the development of Ayurvedic, Unani, Homoeopathic and other Nature-cure systems (Rs. 20 lakhs). Larger grant to the All India Institute of Medical Sciences (Rs. 49 akhs) and increased requirements of Delhi for the opening of 350 bedded hospital adjoining Irwin Hospital (Rs. 14 lakhs) and for North-East Frontier Agency and Naga Hills and Tuensang Areas (Rs. 27 lakhs) mainly account for the increase next year.

Public Health.—Less expenditure on family planning (Rs. 33 lakhs), reduced grants for family planning and other public health purposes (Rs. 18 lakhs) and merger of Medical and Public Health headquarters establishments (Rs. 25 lakhs) explain the saving in the Revised. The increase next year is due to more grants for family planning.

Agriculture.—The requirements of the Indian Agricultural Research Institute this year would be less by Rs. 17 lakhs due mainly to vacancies and other economies. Similarly, the grant to the Indian Council of Agricultural Research will be less by Rs. 14 lakhs and expenditure in the Union Territories, mainly Himachal Pradesh and Tripura will show a saving of Rs. 19 lakhs. The provision for fumigation of American cotton and development of Fisheries would also be less by Rs. 8 lakhs and Rs. 13 lakhs respectively. Introduction of new research schemes by the Indian Agricultural Research Institute mainly accounts for the increase in the Budget next year.

Animal Husbandry.—Besides provision for Veterinary Departments in the Union Territories, the estimates include provision for the running of the Indian Veterinary Research Institute, grants to the Indian Council of Agricultural Research and others, Sheep Breeding Institute and Regional Poultry Farms. Less expenditure by the Research Institute due to vacancies, less production of rinder pest vaccine and other products and reduced grants for veterinary purposes account for the saving in the Revised. Larger provision for research schemes of the Indian Veterinary Research Institute and more expenditure in Union Territories explain the increase next year.

Co-operation.—The saving in the Revised is due to a drop of Rs. 15 lakhs in the grant to the Central Committee on Co-operative Training and All India Co-operative Union, counter-balanced by the increase of Rs. 10 lakhs in the grant payable to the National Co-operative Development Corporation. Larger grants to the Corporation and more expenditure in Union Territories mainly account for the increase next year.

Industries.—The Revised shows an increase of Rs. 3·55 crores. The surcharge on iron and steel, which is transferred to the Steel Equalisation Fund, is expected to amount to Rs. 30 crores against the original estimate of Rs. 24·5 crores, resulting in an increase in the transfer to the Fund of Rs. 5·5 crores. This increase, however, will be partly counter-balanced by savings under a number of heads. Less payment of the cess on Tea, Rubber and Coir to the respective Boards accounts for a saving of Rs. 59 lakhs. The realisation from the cesses, after deduction of the cost of collection, accrues to the Boards for the development and promotion of the respective industries but the payments are limited to their actual needs from year to year. Although the cess collections have registered an increase, the payment shows a saving as a result of the carry-forward of the balances from the previous year. The grant to Khadi and Village Industries Commission will amount to Rs. 12·20 crores as compared with the original estimate of Rs. 12·69 crores showing a saving of Rs. 49 lakhs, mainly due to less expenditure on schemes relating to Village Industries and Ambar Charkha. Similarly, subsidy to the ship-building industry will be less by Rs. 30 lakhs, mainly because of a shortfall in the turn-over of Hindustan Shipyard. The grants for development of handloom industry and to Indian Handicrafts Development Corporation also show a saving of Rs. 7 lakhs and Rs. 10 lakhs respectively. Likewise, the requirements of Union Territories, mainly in Himachal Pradesh, would be less by Rs. 16 lakhs.

The Budget next year shows a drop of Rs. 8·62 crores over the current year's Revised, which is due to the decline of Rs. 11·7 crores in the receipt of surcharge on iron and steel resulting from the increase in the retention price, for which a corresponding provision is made in the expenditure estimates for transfer to the Fund, partly counter-balanced by an additional provision of Rs. 3 crores for the promotion of exports. The grants to the Khadi and Village Industries Commission next year will amount to Rs. 10·74 crores, of which Rs. 4 crores will be for traditional khadi, Rs. 1·3 crores for Ambar Charkha, Rs. 3 crores for development of village industries and Rs. 2·44 crores as subsidy on account of interest on loans recovered from the Commission. The drop of Rs. 1·46 crores in the grant payable to the Commission over the current year's Revised is due to a saving of Rs. 2·2 crores under the Ambar Charkha Programme, partly counter-balanced by an increase in the grant for traditional khadi (Rs. 50 lakhs) and in the subsidy in lieu of interest (Rs. 24 lakhs). The saving of Rs. 1·46 crores, however, will be offset by a number of increases. Payment of cesses on tea and rubber to the respective Boards would be more by Rs. 85 lakhs following the increase in collections. Grants to the Indian Standards Institution, National Small Industries Corporation, National Industrial Development Corporation and Central Silk Board would, in all, show an increase of Rs. 36 lakhs.

Broadcasting.—Non-receipt of stores from abroad for various broadcasting stations, non-filling of certain posts and less expenditure on payments to the artistes as a measure of economy explain the saving in the Revised. Provision for additional staff and larger supplies of stores to various broadcasting stations for new transmitters account for the increase next year.

Community Development, National Extension Service and Local Development Works.—This head accommodates expenditure in Union Territories and on training schemes run directly by the Centre. Provision for assistance to the States for this purpose is shown as grants to States. An *ad hoc* provision of Rs. 10 lakhs was included to meet the requirements of the new Dadra and Nagar Haveli Area which is likely to be utilised to the extent of Rs. 2 lakhs only and which explains the savings in the Revised. Less expenditure in Himachal Pradesh as a measure of economy mainly accounts for the further saving next year.

Labour and Employment.—The saving in the Revised is due mainly to the delay in the bringing into force of the provisions of the Iron Ore Mines Labour Welfare Cess Act, 1961 and consequently in the recovery of the cess and its transfer to the Fund. A part of the saving is also attributable to vacancies and slow progress of schemes administered by the Labour Bureau. Budget next year shows an increase of Rs. 1·29 crores over the Revised. Of this, Rs. 49 lakhs are due to the transfer of the cesses on coal and iron ore following larger collections, Rs. 51 lakhs for additional requirements of Union Territories, Rs. 2 lakhs for the Chief Adviser of Factories and Rs. 5 lakhs for the Labour Bureau.

Miscellaneous Social and Developmental Organisations.—The Revised shows a net increase of Rs. 35 lakhs. Census operations would require Rs. 64 lakhs more due to extension of the period of employment of Regional Tabulation Offices and the staff for the preparation of ethnographic notes on Scheduled Castes and Scheduled Tribes. Likewise, Trade Demonstrations and Propaganda would cost Rs. 7 lakhs more. These increases, however, would be partially offset by savings under a number of heads of which Rs. 11 lakhs would occur in the Union Territories and Rs. 5 lakhs under National Sample Survey.

Budget shows a saving of Rs. 23 lakhs over the current year's Revised. Census operations would cost Rs. 65 lakhs less but requirements of Trade Demonstrations and Propaganda would go up by Rs. 32 lakhs due mainly to the decision to participate in the Fairs abroad, notably at New York and Moscow. Grants for statistical purposes would show a saving of Rs. 15 lakhs whereas Union Territories would require Rs. 7 lakhs more.

MULTIPURPOSE RIVER SCHEMES, IRRIGATION AND ELECTRICITY SCHEMES

(In lakhs of Rupees)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
The details are :—			
Multipurpose River Schemes	64	60	63
Irrigation, Navigation, etc.	23	16	16
Electricity Schemes	70	2	1,17
TOTAL . .	1,57	78	1,96

Multipurpose River Schemes.—Provision is made under this head for the running of Central Water & Power Research Station, Poona, and for investigation of multipurpose river schemes. Poona Research Station would require Rs. 2 lakhs less in the current year, but Budget next year repeats the original provision of Rs. 25 lakhs. Investigation of multipurpose river schemes would cost Rs. 37 lakhs this year and Rs. 38 lakhs next year.

Irrigation, Navigation, etc.—The head accommodates expenditure on irrigation, navigation, etc. schemes in the Union Territories. The decrease in both the years is due to less provision for Manipur.

Electricity Schemes.—The drop of Rs. 68 lakhs in the Revised is due to the recoveries of expenditure incurred in the earlier years on the Trisuli Hydro-Electric Project, which is executed by the Central Water & Power Commission but the cost is recovered from the External Affairs by adjustment as Aid to Nepal. Absence of these arrear recoveries, larger provision for expenditure on the Project and additional provision for Union Territories as well as for handling of equipment, etc. received under the U.N. Special Fund Aid for survey of potential hydro-electric power sites account for the increase next year.

PUBLIC WORKS

This group head records expenditure on the maintenance of National Highways, roads in Union Territories and certain other roads which are maintained by the Central Government and Government buildings, including the cost of construction of minor works debitable to revenue. The transfer of part of the revenue from the Customs and Excise Duties

on motor spirit to the Central Road Fund is also treated as Public Works expenditure. The details are:—

(In lakhs of Rupees)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
1. Block Grant for the Central Road Fund	4,10	4,10	4,10
2. *Public Works:*			
(*i*) Original Works	1,87	1,71	1,54
(*ii*) Maintenance and Repairs	4,17	4,12	3,78
(*iii*) Establishment	1,99	2,29	1,60
(*iv*) Suspense	1,28	2,96	1,98
(*v*) Grants in aid	35	11	19
(*vi*) Other Items	51	55	33
TOTAL—PUBLIC WORKS	10,17	11,74	9,42
3. *Communications:*			
(*i*) Maintenance of National Highways	5,75	5,80	5,75
(*ii*) Maintenance of Other Roads	1,00	1,00	1,00
(*iii*) Border Roads	46	44	46
(*iv*) Other Items	40	63	21
TOTAL—COMMUNICATIONS	7,61	7,87	7,42
GRAND TOTAL	21,88	23,71	20,94

The Revised shows an increase of Rs. 1·83 crores due to larger provision for stores and other building material to cope with the increased volume of work of the Central Public Works Department and also to the enhancement of the rate of dearness allowances to employees getting upto Rs. 400 p.m. A part of the increase is also due to the payment of a larger grant to Delhi Municipal Corporation for maintenance and repairs of roads.

The drop of Rs. 2·77 crores in the Budget next year is due to less provision for construction and maintenance works as a measure of economy, proposed transfer of Posts & Telegraphs and Food Wings of the Central Public Works Department to Posts & Telegraphs Department and the Department of Food respectively next year. A part of the saving is also due to the absence of grant to the local bodies in Delhi for maintenance and repairs of roads which are being provided for in the Delhi Area Demand.

TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)

The details are:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Ports and Pilotage	41	38	34
Mercantile Marine	83	90	99
Lighthouses and Lightships	97	96	1,10
Aviation	3,71	3,70	3,89
Road and Water Transport Schemes	1,33	1,51	2,07
Overseas Communication Service	1,50	1,30	1,40
TOTAL	8,75	8,75	9,79

Mercantile Marine.—The increase in the current year is due to the decision to make the payment of the grant in lieu of interest to the Shipping Development Fund in the same year instead of in the subsequent year. Creation of additional posts, acquisition of a new motor launch for training ship and more expenditure on boarding of marine engineering apprentices explain the increase next year.

Light-houses and Light-ships.—The surplus of the Department, is transferred to the General Reserve Fund for the use of Light-houses and Light-ships. The increase in the Budget next year is due mainly to the increase in the rate of light-house dues from 37 nP. to 50 nP. from January 1, 1963, with the resultant increase in the provision for transfer to the Reserve Fund. A part of the increase is also due to larger requirements of the Department for the commissioning of more Light-houses.

Aviation.—The increase in the Budget next year is attributable chiefly to larger requirements for the servicing of aerodromes and air routes and aeronautical communications.

Road and Water Transport Schemes.—Setting up of a separate Emergency Transport Organisation in Assam for the supply of essential requirements of civil population accounts for the increase in both the years.

Overseas Communication Service.—Vacancies and post-budget decision to reduce the provisional payments to foreign governments to 50 per cent of their likely dues partly counter-balanced by adjustment of arrear pension contributions explain the saving in the Revised. Larger requirements for payments to foreign governments and additional provision for spare parts, tools and plants account for the increase in the Budget.

CURRENCY AND MINT

This group head records the expenditure on currency and coinage operations and the working of the Currency Note Press and the Government Mints. The details by major heads are: -

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Currency and Coinage	17,67	18,47	9,14
Mint	2,56	2,51	2,52
Kolar Gold Mines	..	1,98	5,58
TOTAL	20,23	22,96	17,24

Currency and Coinage.—Broad details are given below:—

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
(*i*) Currency Note Press	3,39	3,36	3,83
(*ii*) Cost of one rupee note forms	1,74	1,46	1,75
(*iii*) Write-back of Capital loss on Hyderabad O.S. currency	60	60	60
(*iv*) Loss on destruction of coins	4,40	3,87	2,90
(*v*) Payment to Reserve Bank for withdrawal of Escudo currency	7,50	9,14	..
(*vi*) Other Items	4	4	6
TOTAL	17,67	18,47	9,14

The payment to the Reserve Bank following the demonetisation and withdrawal of Escudo currency in Goa, Daman and Diu accounts for an increase of Rs. 1·64 crores. But, this will be counter-balanced by less requirements of Rs. 28 lakhs for the supply of one Rupee note forms and Rs. 53 lakhs in the provision for loss on destruction of coins withdrawn from circulation. This is, however, a notional loss as it really represents the write back of the profit representing the difference between the face value of the coins and the value of their metallic content which is credited to revenue at the time the coins were put into circulation.

The Budget next year shows a saving of Rs. 9·33 crores. Absence of provision of Rs. 9·14 crores for payment to the Reserve Bank for the withdrawal of Escudo currency and a further decline of Rs. 97 lakhs in the loss on destructions of coins withdrawn from circulation partly counter-balanced by additional provision necessitated as a result of increased demands for the products of the Currency Note Press and cost of one rupee note forms explain the saving.

Mint.—Less purchase of stores from abroad (Rs. 11 lakhs) partly counter-balanced by increase under Mint Establishment account for the saving of Rs. 5 lakhs in the Revised.

Kolar Gold Mines.—Ever since 1957-58 gold produced in the Kolar and Hutti Gold Mines had been purchased by the Central Government on payment to the Mysore Government at the international price of Rs. 53·58 per 10 grammes; the difference between the price and the market price being paid in addition as a subsidy. With effect from December 1, 1962, the Kolar Gold Mines have been taken over by the Central Government for which a suitable compensation will be paid to the Mysore State. The undertaking is being run as a departmental commercial concern. Accordingly, provision is made under this head for the working expenses of the Kolar Gold Mines which are estimated to cost Rs. 1·98 crores in the current year and Rs. 5·58 crores in the coming year.

The provision includes expenditure on the salaries and allowances of the staff who have been taken over on their existing terms and conditions as also for stores, power, interest on capital employed, depreciation and other incidental expenditure. Provision has also been made for payment of royalty to the State Government and fees to the Consultants. The interest payment is covered by corresponding credit under the receipt head "Interest" while the provision for depreciation is transferred to the Reserve Fund.

The credit for the value of gold produced will be taken over on Central reserves by debit to the head "Capital Outlay on Currency and Coinage" by *per contra* credit as Revenue Receipts.

MISCELLANEOUS

This group head covers items of expenditure of a miscellaneous nature which cannot appropriately be accommodated under any other group head. Details by major heads of the account are given below. Transactions of Civil Departments which do not belong to the descriptive major

head are recorded under the major head "Miscellaneous".

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Famine Relief	3	3	3
Pensions and Other Retirement Benefits	4,98	5,25	5,32
Territoral and Political Pensions	25	23	23
Privy Purses	5,24	5,16	5,13
Stationery and Printing	3,50	3,77	3,68
Opium	5,32	4,54	3,02
Forest	4,32	4,01	4,31
Miscellaneous	85,81	85,45	89,26
TOTAL	1,09,45	1,08,44	1,10,98

Pensions and Other Retirement Benefits.—Provision has, as usual, been made on the latest trends of actuals and such other information as is available with the Accounts Officers about the likely payment of pensions and gratuities in both the years.

Privy Purses.—Provision is made under this head for the payment of Privy Purses to the rulers of former Indian States which are guaranteed and charged on the Consolidated Fund of India under Article 291 of the Constitution. The saving in the Revised is due to reduction in the privy purse of the present ruler of Indore partly counter-balanced by the arrear payment to the former ruler of Bastar. The head also accommodates allowances to the relatives of the rulers of former Indian States which have merged with the Union Territories. Similar payments to the relatives of the rulers of erstwhile Indian States which have merged with the States are made by the State Governments.

Stationery and Printing.—The provision included under this head represents the net expenditure on Stationery and Printing, including the running of the Government Presses, after taking into account the recoveries from paying Departments like Railways, P. & T. and Defence Larger requirements of paper and other stores account for an increase of Rs. 99 lakhs this year but these will be counter-balanced to the extent of Rs. 60 lakhs by larger recoveries from paying Departments. The saving in the Budget is due to less purchase of paper and other stores partly counter-balanced by a drop in the recoveries from paying Departments. As compared with the original estimate of Rs. 4·6 crores, and Rs. 70 lakhs, provision has now been made for purchase of paper for Rs. 5·4 crores this year and Rs. 5 crores next year and for other stores Rs. 89 lakhs this year and Rs. 65 lakhs next year.

Opium.—The reduction in the area brought under poppy cultivation in Rajasthan and Madhya Pradesh with the consequential reduction in the payment to cultivators accounts for the drop in both the years. A part of the saving in the current year is also due to less out-turn due to natural calamities. As compared with the original estimate of Rs. 4·73 crores, the payment to cultivators would amount to Rs. 3·93 crores in the current year and Rs. 2·42 crores in the coming year.

Forest.—Mainly less expenditure in Himachal Pradesh (Rs. 15 lakhs) and in Tribal Areas (Rs. 6 lakhs) on forestry schemes as a measure of

economy accounts for the saving in the Revised. Provision for the payment of a grant of Rs. 30 lakhs to the Damodar Valley Corporation for soil conservation work accounts for the increase next year.

Miscellaneous.—The broad details are :—

(In Lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
1. Expenditure on displaced persons :			
(*a*) Ordinary Expenditure	1,05	1,23	66
(*b*) Transfer of sale proceeds of evacuee property	3,25	3,50	3,00
(*c*) Repayments of Capital Expenditure	4,86	4,75	4,60
(*d*) Irrecoverable loans and advances	36	12	11
(*e*) Expenditure on development of Faridabad township	8	..	4
2. Servicing and other charges in respect of dollar purchase from I. M. F.	1,80	2,19	3,05
3. Aid under Colombo Plan :			
(*a*) Nepal	4,75	2,92	4,70
(*b*) South East Asia	25	25	27
4. Grants to Central Social Welfare Board	2,50	1,95	2,00
5. Repayment from Revenue of expenditure initially debited to Capital :			
(*a*) Trading loss on foodgrains	12,78	12,78	12,09
(*b*) Loss on American loan wheat	49	49	49
(*c*) Grants to employers for industrial housing schemes	10	4	16
6. Planning Commission	95	93	95
7. Pondicherry	4,05	3,52	3,25
8. Goa, Daman and Diu	5,28	5,78	7,07
9. Sugar subsidy	5,50	14,70	15,00
10. Subsidy on coal moved by rail-*cum*-sea	3,75	3,75	5,00
11. Contribution to U. N. Special Projects Fund and Expended Programme of Technical Assistance	1,37	2,80	1,43
12. Expenditure in Union Territories	13,06	12,77	13,03
13. Expenditure on subsidiary food schemes	43	19	43
14. Payment of excise duty on coa and coke to Coal Board	4,50	4,25	4,50
15. Grants for Export Promotion ana Development	1,00	10	80
16. Payment to Railways on account of freight concession on furnace oil	25	30	45
17. Grants for welfare of backward classes	24	19	17
18. Lump Provision for increase in dearness allowance	7,38	..	..
19. Payment of Income Tax on salaries paid to non-Indian employees of Ford and Rock Feller Foundation	52	71	79
20. Other Items	5,26	5,24	5,22
TOTAL	85,81	85,45	89,26

Item 1 (a).—Enhancement of the rate of dearness allowance to low paid employees and non-materialisation of the reduction in the volume of work in Custodian's Office to the extent anticipated earlier explain the increase in the Revised. Saving next year is due to gradual winding up of work relating to claims of displaced persons with the consequential reduction in the strength of offices of Custodian of Evacuee Property and other attached and subordinate offices. A part of the saving is also due to less provision for direct grants to educational and medical institutions in the Eastern Region, less expenditure on *ex gratia* grants and discontinuance of payment of water charges to Delhi Municipal Corporation.

Item 1 (b).—The sale proceeds of acquired evacuee property, including the balances held by the Custodians accrue to the compensation pool under the Displaced Persons (Compensation and Rehabilitation) Act 1954, and are accordingly adjusted in deduction of compensation payments to displaced persons booked under Capital. These payments which are covered by a corresponding provision under Revenue are now expected to exceed the budget by Rs. 25 lakhs. Budget next year provides for the anticipated transfer of Rs. 3 crores, saving being due to less anticipated receipts expected from the sale of evacuee property and, consequently, less provision for transfer to the Capital head.

Item 1 (c).—The net capital expenditure on payment of compensation to displaced persons after adjusting the sale proceeds of evacuee property is written back to Revenue over a period of fifteen years. The writes back are now estimated at Rs. 4·75 crores this year and Rs. 4·6 crores next year.

Item 1 (e).—As a result of the delay in the finalisation of the accounts relating to Faridabad Township, no adjustment is expected to be made in the current year. Budget provides for the likely adjustment next year.

Item 2.—This head accommodates service and other charges payable to the International Monetary Fund on the dollar purchases from the Fund. A provision of Rs. 1·8 crores was made in the Budget for the four quarterly payments of service and other charges on the $ 250 million credit obtained from the Fund in August 1961. A further stand-by credit of $ 100 million was negotiated in July 1962 out of which $ 25 million were drawn in the same month and the balance is expected to be withdrawn by July next year. In addition to service charges, retention charges are also payable on the drawings from time to time. Accordingly, the total payments now estimated are Rs. 2·19 crores in the current year and Rs. 3·05 crores next year.

Item 3. (a).—Against the original expectation of Rs. 4·75 crores, the aid to Nepal is now estimated at Rs. 2·92 crores only. The saving is due to less expenditure on development schemes, notably minor irrigation, village development, construction of roads under Tripartite Agreement between India, Nepal and U.S.A. and Chatra Canal Project. Budget provides Rs. 4·7 crores next year for aid to Nepal of which the main items are Rs. 2 crores for Trisuli Hydro-electric Project, Rs. 75 lakhs for Chatra Canal Project, Rs. 30 lakhs for minor irrigation schemes, Rs. 41 lakhs for the construction of Tribhuvan Rajpath and bilateral roads, Rs. 20 lakhs for Kathamandu Water Supply, Rs. 10 lakhs for the construction of aerodromes, Rs. 17 lakhs for survey and triangulation scheme, Rs. 13 lakhs for Geological Survey and Rs. 64 lakhs for miscellaneous development and other schemes.

Item 4.—Exclusion of the scheme of Training Programme for Bal Sevikas and other economies account for a saving of Rs. 55 lakhs in the Revised. Budget allows for a small increase over the current Revised.

Item 5 (a).—The loss in stocks of rice taken over from the State Governments at the time of de-control in 1954 and on rice imported under the Financial Agreement with Burma in 1954, amounting in all to Rs. 35 crores, is being written back to Revenue over a period of 15 years commencing from 1955-56. In addition, the losses on foodgrains purchased or imported every year are also written off to Revenue over a period of 10 years. The total provision for write off next year has been made at Rs. 12·09 crores, including Rs. 1·73 crores in respect of the anticipated loss of Rs. 17·33 crores on the current year's transactions. The drop in the provision next year is due to recalculation of the amount of write offs on the basis of actuals and elimination of the interest element wrongly included in earlier write offs.

Item 5 (c).—Grants to employers for subsidised Industrial Housing Scheme initially debited to Capital are also written back to Revenue over a number of years. A sum of Rs. 4 lakhs this year and Rs. 16 lakhs next year is expected to be written back on this account.

Item 7.—Slow progress of work relating to the various development schemes, including Medical College, and curtailment of expenditure as a measure of economy mainly account for the saving in the Revised. Budget shows a drop of Rs. 27 lakhs over the current Revised due mainly to the absence of the provision for construction of the new Pier, which is expected to be completed during the current year, and also partly as a result of further measures of economy.

Item 8.—The increase in the Revised is due to more expenditure on works and other development schemes, including the scheme of bringing power from Koyna Hydro-electric Scheme in Maharashtra and payment of certain pre-liberation commitments. The inclusion of Rs. 2·5 crores for various developmental schemes for these territories accounts for the increase next year.

Item 9.—A provision of Rs. 5·5 crores was made in the original Budget as subsidy on the export of sugar on the assumption of an export of the order of Rs. 2·5 lakh metric tons. The total exports now estimated are 3·9 lakh metric tons on which the subsidy payable would amount to Rs. 14·70 crores resulting in foreign exchange earnings of an almost equal amount. A part of the increase in subsidy is also due to the change in the destination from U.S.A. to Canada and Malaya where the prices paid are lower than in U.S.A.

Item 10.—With a view to equalise the price of coal transported by sea or rail, it was agreed last year to pay a subsidy on the movement of coal by coastal shipping to the Southern States. As a result of increase in shipping freight rates and also payment of certain arrears, the subsidy payable next year is estimated at Rs. 5 crores showing an increase of Rs. 1·25 crores over the current year's requirements. The expenditure is financed from the additional excise duty on coal and coke despatched from collieries levied in June 1961.

Item 11.—Provision is made here for contributions to the U.N. Special Projects Fund and for Expanded Programme of Technical Assistance of the United Nations. These contributions are payable on a calendar year basis immediately after the commencement of the year but, so far India has been making the payment after the commencement of the following financial year. Accordingly, provision was included in the original budget for the contributions payable in respect of the calendar year 1962 only. It

has now been agreed that contributions for the year 1963 will be paid within the current financial year. This accounts for the increase in the Revised. Budget next year provides for the contributions payable for the year 1964.

Item 12.—The saving of Rs. 29 lakhs in the Revised is mainly on account of less payment of grants to Himachal Pradesh Territorial Council. The increase of Rs. 26 lakhs in the Budget next year is the net result of several variations. Tripura budget shows a saving of Rs. 83 lakhs mainly on account of absence of provision for conversion of maintenance loans to displaced persons into grants (Rs. 56 lakhs) and less grants to Territorial Council (Rs. 33 lakhs) but this decrease will be more than counterbalanced by increase in the grants payable to Delhi Municipal Corporation (Rs. 52 lakhs) and New Delhi Municipal Committee (Rs. 15 lakhs) and increases in other Union Territories.

Item 13.—Delay in the implementation of the subsidiary food schemes accounts for a saving of Rs. 24 lakhs in the current year but Budget next year provides for the full implementation of these schemes.

Item 14.—The net proceeds of the special cess on coal and coke are transferred to the Coal Board for utilisation on schemes relating to conservation of coal and safety in coal mines. Following the estimates adopted under the Revenue head provision has been made for transfer to the Coal Board of Rs. 4·25 crores this year and Rs. 4·5 crores next year.

Item 15.—Delay in the implementation of the various export promotion measures accounts for the saving this year. Budget next year provides Rs. 80 lakhs for this purpose when the schemes are expected to gather momentum.

Item 16.—With a view to alleviate the difficulties in obtaining coal by industries located at great distances from the coal fields, it was decided to encourage the use of furnace oil by these industries by reducing the rail freight by 50 per cent. The difference between the full freight and the charges actually recovered are re-imbursed to the Railways for which the revised includes Rs. 30 lakhs and the Budget next year Rs. 45 lakhs.

Item 17.—Provision is made here for grants for welfare of Backward Classes to parties other than States.

Item 18.—A lump provision of Rs. 7·38 crores was made under this head in the April Budget on account of the decision to increase the dearness allowance of employees drawing basic pay below Rs. 400 p.m. with effect from 1st November 1961 following the increase in the working class consumer price index during the preceding 12 months as recommended by the Second Pay Commission. The Ministries were expected to go in for supplementary grants during the course of the year to the extent necessary under their respective grants to meet this additional charge while the lump provision was to be surrendered. This accounts for the absence of the provision in the Revised and in the budget next year under this Head.

Item 19.—Under the Agreements with Ford Foundation and Rockefeller Foundation the non-Indian staff employed by them is entitled to a tax-free remuneration. Accordingly, amounts representing income-tax to be recovered are debited to this head by per contra credit as income-tax receipts.

CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS

Details by major heads of the provision included in this Section are given below:

(In lakhs of Rupees)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Payments of States' share of Union Excise Duties	1,14,36	1,24,91	1,28,07
Grants-in-aid to State Governments	2,13,54	2,10,24	2,17,55
Miscellaneous Adjustments between Central and State Governments	26	27	25
Other Miscellaneous Contributions and Assignments	2,81	3,08	3,17
TOTAL	3,30,97	3,38,50	3,49,04

Payments of States' share of Union Excise Duties.—As compared with the original estimate of Rs. 114·36 crores, the States' share of Union Excise Duties including Additional Excises is now estimated at Rs. 124·91 crores this year and Rs. 128·07 crores next year. The increase in the current year besides providing for arrear payments of Rs. 2·68 crores allows for the improvement in the collections as well as for the additional duties levied as part of the budget proposals of the year. Excluding the effect of arrear payments, the increase in the States' share of Rs. 5·84 crores next year allows for further buoyancy in revenue collections.

Grants-in-aid to State Governments.—The details are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
I. Grants under Constitution :			
(a) Substantive provision of article 275(1)	61,00	61,00	61,00
(b) Provisos to article 275 (I)	7,43	7,43	7,43
II. Other Grants :			
1. Police	2,89	4,42	5,40
2. Scientific and Technical Education	4,70	4,57	4,37
3. Primary, Secondary and other educational schemes	22,97	23,30	24,16
4. Medical	2,85	2,32	6,16
5. Public Health	11,85	11,02	11,01
6. Agriculture including rural development	11,95	11,49	12,55
7. Animal husbandry	1,97	1,92	2,07
8. Co-operation	96	88	1,13
9. Industries	6,18	5,95	4,84
10. Broadcasting	11	13	11
11. Labour and Employment	6,78	6,32	9,08
12. Miscellaneous Social and Developmental Organisations	1,56	85	2,41
13. Small Savings Schemes	21	24	24
14. Community Development, National Extension Services and Local Development Works	24,04	23,96	22,28
15. Forest	2,58	2,24	2,47

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
16. Miscellaneous :			
(a) Grants in lieu of Income Tax	..	1,49	..
(b) Grants in lieu of Tax on Railway Fares	12,50	12,50	12,50
(c) Welfare of Backward Classes	5,52	5,52	5,50
(d) Natural calamities	6,00	6,00	5,00
(e) Development of border areas	2,67	1,97	3,38
(f) Relief and Rehabilitation of Displaced Persons	3,73	2,97	1,69
(g) Subsidy for acquisition of Kolar and Hatti Gold	3,30	2,20	40
(h) Other Miscellaneous Grants	2,63	2,44	3,73
17. Write-back of Capital Grants	7,16	7,11	8,64
TOTAL	2,13,54	2,10,24	2,17,55

I (b) and 16 (c).—Provision has been made for Rs. 7·03 crores in both the years for the welfare of Scheduled Tribes and development of Scheduled areas and Rs. 5·52 crores this year and Rs. 5·5 crores next year for the welfare of Backward Classes.

II (1).—By far the major portion of the increase in the current year is for the strengthening of the Assam Rifles following the Emergency. Full year's effect of the changes made in the current year and further strengthening of Border Police in Assam partly counter-balanced by absence of provision for arrear payment to Punjab and Rajasthan account for the increase next year.

II (3).—Increase this year is due to the provision for providing mid-day meals to students. Larger provision for mid-day meals, additional awards for National Scholarships Scheme, and transfer of work relating to composite homes from the Rehabilitation Department account for the further increase next year.

II (4).—Budget next year includes Rs. 2·5 crores for Centrally sponsored schemes for the establishment and expansion of Medical Colleges. Larger allocations for Plan Schemes account for the rest of the increase.

II (5).—Reduction for the grant for family planning from Rs. 2·5 crores to Rs. 1·5 crores explains the saving in the Revised. Budget next year allows for larger allocation for development schemes counter-balanced by the transfer of provision for family planning (Rs. 1·1 crores) to "Miscellaneous" [16 (h)].

II (6).—Increased allocation for various agricultural schemes and a provision of Rs. 29 lakhs for a new scheme of Fertiliser Demonstration account mainly for the increase next year.

II (9).—The details are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Development of Handloom Industries	3,60	3,85	2,90
Development of Small-Scale Industries	1,45	1,45	1,15
Development of Handicrafts & Sericulture	78	46	60
Other Items	35	19	19
TOTAL	6,18	5,95	4,84

II (11).—The large increase next year is mainly on account of expansion of Craftsmen Training Scheme.

II (12).—Includes Rs. 46 lakhs this year and Rs. 1·3 crores next year for Dairy Development and Rs. 8 lakhs this year and Rs. 66 lakhs next year for improvement of Fire Service as compared with the original provision of Rs. 46 lakhs and Rs. 60 lakhs respectively.

II (14).—Budget next year shows a reduction of Rs. 1·68 crores due to economy in the programmes as a result of the emergency.

II (16) (a).—As a result of the changes brought about in the Company tax structure in 1960-61 and the consequent shrinkage in the divisible pool of income tax, it was decided that until the position was examined by the Finance Commission, the loss in the States' share of income-tax may be made good by payment of *ad hoc* grants. Accordingly, with effect from the current year no grants are payable to the States as their share of income-tax is determined under the award of the Third Finance Commission. The provision of Rs. 1·49 crores in the Revised is on account of arrear grants payable to the States for the previous year.

II (16) (d).—Budget next year allows for a saving of Rs. 1 crore on account of the contemplated revision of the pattern of assistance for natural calamities.

II (16) (e).—Slow progress of expenditure in the development of border areas in Jammu and Kashmir and U.P. explains the saving in the Revised. Larger grants for this purpose, particularly in Uttar Pradesh, account for the increase next year.

II (16) (f).—Curtailment of expenditure on account of Emergency and deletion of provision for conversion of maintenance loans into grants explain the saving in the Revised. The further saving in the Budget next year is due to the transfer of work relating to composite homes in West Bengal to the Education Ministry.

II (16) (g).—The taking over of Kolar Gold Mines by the Central Government with effect from December 1, 1962, accounts for the saving in the subsidy payable to the Mysore State for both the years.

II (17).—Grants given to the States mainly for Local Development Works, Industrial Housing, Slum Clearance Scheme, National Water Supply and Sanitation Schemes and roads for inter-State or economic importance, including Border roads, are, in the first instance, on account of their magnitude, debited to Capital but are written back to Revenue over a period of 15 years. The provision here represents the annual write back to Revenue, the increase next year being attributable to progressive increase in the payment of such Capital grants.

Miscellaneous Adjustments between Central and State Governments.—The Petroleum, Explosives and Arms and Acts and the Carbide of Calcium and Cinematograph Film Rules are administered by the State Governments within their respective areas, on behalf of the Government of India and amounts equal to the fees realised under these Acts and Rules are paid to the State Governments to cover the expenditure on the administration of these Acts and Rules. Similar arrangements have been agreed to be extended in regard to the administration of the Rice Milling Industry (Regulation) Act, 1958. Payments to the States, which are covered by corresponding credits in the revenue estimates are now expected to amount to Rs. 27 lakhs this year and Rs. 25 lakhs next year.

Other Miscellaneous Contributions and Assignments.—Provision is made under this head for the payment of the net proceeds of terminal, entertainment and other taxes payable to the Delhi Municipal Corporation, Territorial Councils and other local bodies. The increase in both the years follows the progressive increase in the realisation of these taxes, particularly in Delhi.

EXTRAORDINARY ITEMS

This group head records extraordinary items which have to be distinguished from the ordinary items. Details by heads of account are:

(In lakhs of Rs.)

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Extraordinary Charges	41,10	55,11	46,66
Pre-partition payments	30	25	22
Expenditure connected with the National Emergency, 1962	..	9,25	39,31
TOTAL	41,40	64,61	86,19

Extraordinary Charges.—Apart from the provision for the transfer of grants from U.S.A. from P.L. 480 Funds to the Special Development Fund, the head includes write-back of the payments under the Indus Water Treaty, which are treated as Capital expenditure initially and written back to Revenue over a period of 15 years. As compared with the original expectation of Rs. 40 crores, the grants from U.S.A. from P.L. 480 Funds are now expected to amount to Rs. 54 crores this year and Rs. 45 crores next year which would require a corresponding increase in the provision for transfer to the Fund. The write-back for Indus Water Treaty payments would amount to Rs. 1·11 crores in the current year and Rs. 1·66 crores next year.

Pre-partition payments.—Provision is made under this head for the claims against the former undivided Government of India for the pre-partition period which are likely to be settled and paid during the two years.

Expenditure connected with the National Emergency, 1962.—This is a new composite head to accommodate special items of expenditure arising out of the present Emergency, such as Civil Defence, training of Wireless Operators, Mobile Civil Emergency Force, National Labour Corps etc. Provision has been included for the transfer of Rs. 9 crores in the current year and Rs. 36 crores next year of the receipts to be realised under the Emergency Risk (Goods) and Emergency Risk (Factories) Insurance Acts to the Emergency Risk Insurance Funds. The provision for next year will stand reduced to Rs. 33 crores as a result of the effect of Budget proposals. Budget includes Rs. 1·53 crores for the Directorate of Civil Defence, Rs. 64 lakhs for the training of Wireless Operators and Drivers, Rs. 33 lakhs for Mobile Civil Emergency Force, Rs. 26 lakhs for expenditure on National Labour Corps and Rs. 10 lakhs as grant for relief of personal injuries.

DEFENCE SERVICES

The broad details are:—

(In lakhs of Rs.)

Gross	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
Army	2,45,76	3,49,86	3,49,86
Navy	20,10	20,51	20,51
Air Force	79,91	87,91	87,91
Emergency measures	..	..	2,65,29
Non-effective	21,01	21,01	18,91
TOTAL GROSS	3,66,78	4,79,29	7,42,48
Less Receipts and Recoveries	—23,41	—27,48	—33,97
Net	3,43,37	4,51,81	7,08,51

The increase in both the years reflects the cost of measures taken to strengthen the Defence Services to meet the present Emergency.

SECTION II

CAPITAL RECEIPTS AND DISBURSEMENTS

SECTION II

CAPITAL BUDGET

INTRODUCTORY NOTES

The estimates of the Receipts and Disbursements on Capital Account of the Central Government are explained in this Section. These cover receipts and disbursements connected with capital schemes undertaken by the Central Government, borrowings at home or abroad, in the form of market and other loans, Gold Bonds, Premium Prize Bonds, Annuity Certificates, Treasury Bills, Post Office Savings Bank including the Cumulative Time Deposits Scheme, the National Plan Savings and National Defence Certificates issued through Post Offices and the Treasury Savings Deposit and Defence Deposit Certificates sold through the Public Debt offices, Treasuries and Sub-treasuries, etc. They also cover a variety of other items such as the National Defence Fund, the State Provident Funds, the investments of deposits of U.S. Government P.L. 480 counterpart funds, the various deposits under the Income-tax Act, the depreciation and reserve funds of departments like Railways and Posts and Telegraphs and special *ad hoc* funds created from time to time by Government. It is difficult, in the compass of a brief note, to indicate fully the scope and variety of these miscellaneous items but details of these are given in Statement C of the Annual Financial Statement.

The capital requirements of Government are ordinarily met from four sources. Firstly, regular loans are floated and, in the case of short term requirements, treasury bills are issued, ordinarily for a period of 91 days at a time. Secondly, there is the flow of money through the Postal Savings Bank and other Small Savings Schemes. Thirdly, there are the receipts into the various depreciation, reserve and other funds and under the deposit heads including the National Defence Fund and the investment in special securities of P.L. 480 counterpart funds deposited by U.S. Government with the Reserve Bank of India. Fourthly, any sum provided in the revenue budget for reduction or avoidance of debt or for debt redemption is also available, as it is transferred to capital by debit to the revenue budget. To the extent to which the receipt from these sources is insufficient to meet the capital requirements, the deficit has to be made good from revenue, the accumulated cash balances, and if neither is available, by the sale of *ad hoc* treasury bills to the Reserve Bank. Conversely, any surplus of capital receipts over disbursements is available for covering a revenue deficit or for augmenting the cash balances of Government or for cancelling the *ad hoc* treasury Bills held by the Reserve Bank.

The statement on the following two pages summarises the capital transactions included in the budget for the current and ensuing years and indicates the sources from which capital requirements will be met.

SUMMARY OF CAPITAL

RECEIPTS

	Accounts, 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
			(In lakhs of Rupees)	
New Loans in India	252,55	255,00	329,87	393,00
Gold Bonds	..	..	7,00	100
Prize Bonds/Premium Prize Bonds	3,47	5,00	5,00	6,00
15-Year Annuity Certificates	50	70	50	50
Foreign Loans	314,33	455,00	376,50	462,43
Special Floating Loan	3,45	3,45	3,45	3,45
Net receipts from :				
Treasury Bills	68,69	89,00	190,00	181,00
National Defence Fund	..	..	47,25	19,75
Investment of U. S. Government Counterpart Deposit Funds	54,13	90,00	60,00	90,00
Defence Deposit Certificates	..	..	12,00	23,00
Treasury Savings Deposits Certificates	4,82	14,00	30	—7,58
Post Office Savings Bank Deposits	36,49	39,50	21,50	33,00
Compuslory Deposit	..	..	..	25,00
Cumulative Time Deposits	3,24	4,50	6,00	9,00
12-Year National Defence Certificates	..	..	45,70	85,00
12-Year National Plan Savings Certificates	61,22	65,00	19,49	—15,82
National Savings and Other Certificates	—18,26	—18,40	—20,24	—15,82
Other Unfunded Debt	40,14	38,56	44,70	46,92
Railway Depreciation, Revenue Reserve and Development Funds	—14,44	8,27	1,77	22,04
Telephone Development Fund	91	30	1,05	80
P. & T. Renewals Reserve and other Funds	12,11	7,28	7,03	13,24
Emergency Risks : (Goods) and (Factories) Insurance Funds	..	..	8,98	32,94
Appropriation for Reduction or Aovidance of Debt	5,00	5,00	5,00	5,00
Deposits under Income Tax Act (Net)	—22	—30	—38	—19
Discount Sinking Fund (Net)	—94	2,04	65	189
Payment by Reserve Bank for Rupee Coin	5,00	5,00	5,00	5,00
Repayment of Advances by State Governments	133,91	163,20	170,99	194,87
Repayment of Other Loans and Advances	66,92	54,56	42,42	53,62
Other Deposits and Advances (Net)	76,14	158,38	167,39	172,91
TOTAL	11,09,16	14,45,04	15,58,92	18,35,97
Deficit on Capital Account	120,67	..	..	..
	12,29,83	14,45,04	15,58,92	18,35,97

TRANSACTIONS

DISBURSEMENTS

	Accounts, 1961-62	Budget, 1962-63	Revised 1962-63	Budget, 1963-64
			(In lakhs of Rupees)	
Capital Outlay :				
Agricultural Improvement and Research	5,23	6,25	4,46	2,95
Industrial Development	110,68	176,52	179,68	224,00
Broadcasting	1,12	1,40	1,52	1,75
Multi-purpose River Schemes, Irrigation and Electricity Schemes	2,65	11,32	5,30	11,43
Public Works	36,70	57,02	55,71	68,11
Delhi Capital Outlay	4,93	8,25	7,81	7,38
Dandakaranya Development Scheme	4,47	3,91	4,75	3,46
Other Works	5,08	7,47	5,11	5,93
Ports	1,47	2,87	2,38	5,96
Lighthouses and Lightships	..	89	32	20
Aviation	3,01	4,09	3,15	3,66
Road and Water Transport Schemes	42	41	1,16	1,29
Overseas Communications Service	..	48	47	40
Shipping, Tankers, etc.	18	1,88	1,24	1,33
Currency and Coinage	6,67	6,74	13,38	11,54
Mints	3	6	6	19
Kolar Gold Mines	..	..	22	3,35
Commuted Value of Pensions	—27	1,40	10	14
Sterling Pensions	—3,66	—3,70	—3,70	—3,74
Schemes of Government Trading	2,24	28,69	12,66	49,69
Grants for Development	10,99	21,40	19,37	18,55
Compensation to Displaced Persons	—1,93	—80	—4,45	—4,35
Transfer of Development Assistance from the Govt. of U.S.A.	58,86	63,28	83,31	61,55
Payments under Indus Waters Treaty	7,74	7,17	7,17	6,63
Other Civil Heads	62	1,24	1,00	75
Defence	22,95	32,63	52,75	158,72
Railways	144,90	196,50	203,00	218,50
Posts and Telegraphs	11,25	15,08	14,92	28,00
Discharge of Permanent Debt	203,50	227,63	230,71	231,57
Discharge of Special Floating Debt	..	3,43	..	3,43
Inter-State Settlement	1,79	..	..	90
Advances to State Governments	443,47	440,35	500,21	529,14
Other Loans and Advances	144,74	121,04	131,87	167,84
TOTAL	12,29,83	14,44,90	15,35,64	18,20,25
Surplus on Capital Account	..	14	23,28	15,72
	12,29,83	14,45,04	15,58,92	18,35,97

NOTES ON CAPITAL TRANSACTIONS

RECEIPTS

New Loans in India.—The current Budget assumed a credit of Rs. 260 crores from market loans in India, including sale of prize bonds. The Revised Estimates in this regard are placed at Rs. 329·87 crores while the Budget next year assumes a credit of Rs. 393 crores from new loans in India. The details are:—

Name of Loan	Revised 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)	
1. 3¾% National Plan Bonds, 5th Series (3¾% 1968)—Further trgnche	92,25	..
2. 4% Loan 1972—Further tranche	80,59	..
3. 4½% Loan 1985	1,14,03	..
4. 4% Loan 1973—Further tranche	20,00	..
5. 4½% National Defence Bonds, 1972	23,00	..
6. New Loans	..	3,93,00
TOTAL	3,29,87	3,93,00

During the year, further tranches of the 3¾% National Plan Bonds (5th Series) 1968 and the 4% Loan 1972 and a new 4½% Loan 1985 were issued as a cash-**cum**-conversion Loans for public subscription, the total amount realised being Rs. 256·87 crores, including Rs. 153·67 crores by way of conversion of loans maturing during the year. In addition **ad hoc** Treasury Bills of the value of Rs. 50 crores held by the Reserve Bank of India in their Issue Department were converted on the 28th December, 1962 into further issues of 4% Loan 1973 (Rs. 20 crores) and 4½% Loan 1985 (Rs. 30 crores).

The 4¼ per cent National Defence Bonds 1972 were placed on sale with effect from 10th November 1962, with a view to raising resources for national defence and will be available on tap till 9th May 1963. Interest at 4¼ per cent per annum is payable half yearly and will not be liable to deduction of tax at source in the case of bonds held by individuals. The bonds will be repaid at par on the 10th November 1972. The sale during the current year is expected to amount to Rs. 23 crores.

Next Budget assumes a credit of Rs. 393 crores from new market loans to be floated in India including sale of 4¼ per cent National Defence Bonds, which will be on tap till 9th May, 1963 and Rs. 100 crores to be raised on behalf of the States, which will be subsequently advanced to them. The latter provision follows the decision taken by the National Development Council to go in for combined borrowings on behalf of the Central and State Governments.

Gold Bonds.—The 6½% Gold Bonds 1977 were placed on sale with effect from 12th November, 1962. These were earlier intended to be sold upto 9th February, 1963 only but with the extension of the period for the declaration of individual gold holdings under the Gold Control Rules, it was decided to extend the sale of Gold Bonds till 28th February, 1963. The subscription was receivable only in the form of gold, gold coins or ornaments, the value of which would be determined after assay at the IMF rate of Rs. 53·58 per 10 grammes of ·995 fineness. Interest calculated at 6½% is payable with effect from the date of tender and is liable to tax but in the case of bonds held by individuals, tax will not be deducted at source, if the total value of bonds held during the period for which interest is claimed did not exceed Rs. 10,000. The bonds which are exempt from Wealth Tax and Capital Gains Tax are repayable in cash at par on the 12th November, 1977. The value of the gold on completion of assay and issue of bonds is adjusted under 'Public Debt' by per contra debit under Capital Outlay on Currency and Coinage. The sales during the current year are estimated at Rs. 7 crores while next Budget assumes a credit of Rs. 1 crore on account of the tenders received in the current year but which are assayed for the issue of bonds in the next year.

Prize Bonds Premium Prize Bonds.—The sale of 5-Year interest free Prize Bonds, 1965 which were introduced with effect from 1st April, 1960 was discontinued from 1st July, 1962. The total sale of the Bonds since the commencement of the Scheme was Rs. 19·53 crores of which Rs. 1·08 crores accrued during the current year.

A new scheme of Premium Prize Bonds, 1963 was introduced with effect from 1st January, 1963. These are bearer bonds and are available in two denominations, namely Rs. 5 and Rs. 100. The Scheme will run through the calendar year 1963 and the Bonds will be repaid 5 years from the date of purchase with a premium of 10% on the face value, which will be free of income-tax. In addition, there will be two draws in 1964 for prizes which will be awarded on sold Bonds only. The prize money will also be free of income-tax. The total prize money at each draw will be Rs. 5 lakhs for every crore of rupees of bonds sold in each denomination. The number of prizes for every one lakh bonds sold of Rs. 100 denomination will be 243 while in the case of Rs. 5 denomination the number will be 568 for every 20 lakh bonds sold. The highest prize in the case of Rs. 100 denomination is Rs. 50,000 and the lowest Rs. 1,000 the corresponding prize in the case of Rs. 5 denomination being Rs. 15,000 and Rs. 500. The sale during the current year is estimated at Rs. 3·92 crores while next Budget takes a credit of Rs. 6 crores.

15-Year Annuity Certificates.—These certificates are intended for those who wish to secure regular monthly payment against a lump sum investment. The first series was introduced with effect from 1st July 1954, but was discontinued on the introduction of a second series with effect from 2nd January 1958. The certificates are available in five denominations, namely, Rs. 1,330, Rs. 3,325, Rs. 6,650, Rs. 13,300 and Rs. 26,600 and secure for the investor a monthly payment, free of income-tax, of Rs. 10, Rs. 25, Rs. 50, Rs. 100 and Rs. 200 respectively, the return being 4·25 per cent as compared with 3·5 per cent on the earlier series. The maximum purchase by a single individual is limited to Rs. 26,600 and by two persons jointly to Rs. 53,200 but if the two series are taken together, the maximum limits are Rs. 28,000 and Rs. 56,000 respectively.

The sales of Annuity Certificates are estimated at Rs. 50 lakhs in the current as well as the next year.

Foreign Loans.—The current budget assumed a credit of Rs. 455 crores for loans to be obtained from various foreign sources. The Revised Estimates are placed at Rs. 376·50 crores while the Budget next year assumes a credit of Rs. 462·43 crores from foreign loans.

The details are:—

Source of loan	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)	
1. Defence Certificates	2	2
2. U.S.A.	19567	16434
3. EXIM Bank, U.S.A.	2998	1311
4. U.S.S.R.	3846	6043
5. United Kingdom	3164	3167
6. Canada	..	150
7. Federal Republic of Germany	3073	600
8. Japan	418	1052
9. Switzerland	50	400
10. Czechoslovakia	50	220
11. Yugoslavia	25	300
12. Poland	50	165
13. Austria	..	100
14. World Bank	2504	1296
15. International Development Association	1397	3503
16. Loans from Bank of India, Tokyo	6	..
17. New Credits	500	11500
TOTAL	37650	46243

10-Year Defence Certificates were placed on sale with effect from 20th December, 1962 at the Indian Missions in United Kingdom and U.S.A., in order to afford an opportunity to Indian and non-Indian residents abroad to contribute for the Defence of India. This arrangement is being extended to Hong Kong with effect from 1st March, 1963 and also shortly to Canada. The certificates are repayable with a premium of 60%, 10 years after the date of purchase which will not be liable to Indian Income-tax. The maturity value is repayable in India but holders outside India will be permitted to repatriate the amounts received by them to the country of their residence. The sale during the current year as well as next year is estimated at Rs. 2 lakhs.

The loan from the Bank of India, Tokyo was obtained for construction of Staff quarters for the Indian Embassy in Japan. The loan carries interest at the Bank rate in England subject to a minimum of 5½% per annum and is repayable in Sterling in nine annual instalments commencing from the next year.

The details of the other loans raised abroad are given in Annexure XIV.

Special Floating Loan.—This head accommodates the credit taken for the special securities issued in payment of India's subscription to the International Monetary Fund, the International Bank for Reconstruction

and Development and the International Development Association. India's subscription to the I.M.F. amounts to $ 600 million and that to the I.B.R.D. $ 800 million of which $ 80 million only have so far been called up. These subscriptions were payable partly in gold and partly in non-negotiable non-interest bearing rupee securities. Accordingly, securities of the value of Rs. 249·89 crores and Rs. 33·93 crores have so far been issued to the I.M.F. and the I.B.R.D. respectively. The membership of the I.D.A. involves a total subscription of Rs. 19·21 crores of which Rs. 4·42 crores were paid in 1960-61 and Rs. 3·70 crores each during 1961-62 and 1962-63. A further sum of Rs. 3·70 crores is payable next year, partly in U.S. dollars and partly in the form of non-negotiable non-interest bearing rupee securities. The value of the securities to be issued to the I.D.A. during the current year and that to be issued next year amounts to Rs. 3·45 crores each for which credit is taken under this head.

Treasury Bills.—The current year's Budget assumed a net expansion of treasury bills to the extent of Rs. 89 crores. This is now expected to increase to Rs. 109 crores. The worsening of Rs. 101 crores is the net result of a number of factors. The revenue deficit will go up from Rs. 72 lakhs to Rs. 22·06 crores due mainly to the increased expenditure on Defence and policing of border areas and larger payment to States of their share of Union Excise Duties, partly counter-balanced by improvements in Revenue receipts. The loans to States and other parties are more by Rs. 71 crores while the collection of Small Savings and foreign loans are less by Rs. 20 crores and Rs. 78 crores respectively. This deterioration will be offset to the extent of Rs. 89 crores by improvements under a number of heads, of which Rs. 47 crores are attributable to the National Defence Fund, Rs. 23 crores to National Defence Bonds, 1972 placed on sale after the declaration of Emergency, Rs. 7 crores to Gold Bonds and Rs. 9 crores to the Emergency Risks Insurance Funds.

The net expansion of treasury bills to cover the overall gap next year on the existing basis is estimated at Rs. 181 crores.

On the basis of these estimates, the total outstanding treasury bills, after taking into account the conversion of *ad hoc* bills of Rs. 300 crores in 1958-59, Rs. 150 crores in 1959-60 and Rs. 50 crores each in 1960-61, 1961-62 and this year would amount to Rs. 1,365 crores and Rs. 1,546 crores at the end of the current and next year respectively.

National Defence Fund.—This Fund was set up with effect from 27th October, 1962 in order to canalise voluntary contributions in cash, gold and other forms for the Defence of the country. Collections are receivable at all Offices of the Reserve Bank, the State Bank and its subsidiary Banks and certain commercial banks as well as Post Offices. Collections arising within a State are transferred weekly to the State Bank Branch at the headquarters of the State and thereafter daily to the Central Account at the Reserve Bank in New Delhi. The Fund will be utilised for all purposes connected with the Defence of the country including provision of amenities for Jawans and their families. Small imprests have been allowed to Chief Ministers of States for meeting expenses on collections and other emergent needs. The Fund is managed by a Committee with the Prime Minister as its Chairman and the Finance Minister as its Treasurer. Net collections during the current year are estimated at Rs. 47·25 crores. Budget next year assumes a further credit of Rs. 19·75 crores.

Investment of U.S. Government Counter-part deposit funds.—The rupee equivalent of the dollar cost of surplus agricultural commodities imported under P.L. 480 of U.S.A. together with 50 per cent of the ocean freight costs is deposited in the U.S. Government Title Account in India.

A major portion of the rupee deposits is made available to the Government of India as loans and grants for expenditure incurred on mutually agreed development projects and the balance is retained by the U.S. Government for its own use and partly under the Cooley amendment to U.S. Public Law 480 for giving loans to U.S. firms or their affiliates for investment in India. Previously these deposits were made mainly with the State Bank of India, who, in turn, invested them in the Government of India securities and market loans. This arrangement was changed with effect from 12th May, 1960, and the counterpart funds are now deposited directly with the Reserve Bank of India who invest them in special securities of the Government of India on which interest at 1½ per cent is paid. These securities are non-negotiable and are repayable on demand. The net investment in these securities till the end of 1961-62 amounted to Rs. 294·54 crores of which Rs. 144 crores represented the transfer of the moneys previously deposited with the State Bank of India. The net investment in the current year is expected to be of the order of Rs. 60 crores including Rs. 50 crores transferred from the State Bank, while next Budget takes credit for Rs. 90 crores including Rs. 30 crores to be transferred from the State Bank. The extent of loans and grants to be given to the Government of India out of the P.L. 480 deposit funds is estimated at Rs. 134 crores this year and Rs. 105 crores next year.

Defence Deposit Certificates.—The 10-Year Defence Deposit Certificates were placed on sale with effect from the 10th November 1962 and replace the 10-Year Treasury Savings Deposit Certificates. These Certificates are issued in multiples of Rs. 50 and entitle the investor to an annual tax free interest of 4½ per cent provided they are retained up to maturity after 10 years. The certificates can be encashed any time after the initial lock-up period of one year on refunding a part of the interest drawn. The limit for individual holding is Rs. 35,000 and for joint holdings Rs. 70,000 inclusive of the certificates of earlier series. Local Authorities and Institutions, donations to which are exempt from income tax, are allowed to invest up to Rs. 1 lakh but for other institutions the limit is Rs. 50,000. Provident Fund moneys can be invested without any limit. The sales during the current year are estimated at Rs. 12 crores while Budget next year assumes a net credit of Rs. 23 crores.

Treasury Savings Deposit Certificates.—The sale of the 4 per cent Treasury Savings Deposit Certificates was discontinued with effect from 10th November, 1962 on the introduction of the Defence Deposit Certificates, while the 3½ per cent Treasury Savings Deposit Certificates had been discontinued from 1st June, 1957. The sale of the 4 per cent Treasury Savings Deposit Certificates during the current year is estimated at Rs. 6·80 crores net. The repayments of 3½ per cent Treasury Savings Deposit Certificates are estimated at Rs. 6·50 crores this year and Rs. 7 crores next year, while those of 4 per cent Treasury Savings Deposit Certificates have been placed at Rs. 58 lakhs next year.

Post Office Savings Bank Deposits.—Following the general hardening of interest rates, the interest on Post Office Savings Bank deposits was increased with effect from 1st August, 1962, from 2½ per cent to 3 per cent. free of income-tax, on balances up to Rs. 10,000 (Rs. 20,000 in the case of joint accounts) and from 2 per cent to 2½ per cent, free of income tax, on balances exceeding Rs. 10,000 (Rs. 20,000 in the case of joint accounts). The maximum holding for one person in the Post Office Savings Bank remains at Rs. 15,000 and for two persons jointly at Rs. 30,000. There are no limits for public acounts on which interest has likewise been increased from 2 per cent to 2½ per cent.

Current year's Budget assumed a net credit of Rs. 39·5 crores for Post Office Savings Bank deposits. The gross deposits on the trend of the latest actuals are now estimated at Rs. 255 crores and withdrawals at Rs. 233·5 crores, thus giving a net credit of Rs. 21·5 crores including Rs. 11·71 crores for adjustment of interest. Next Budget assumes a net credit of Rs. 33 crores in the Post Office Savings Bank including Rs. 13 crores on account of interest and allows for improvement as a result of the increase in the rate of interest allowed this year.

Cumulative Time Deposits Scheme.—This scheme which is operated at all Post Offices doing savings bank work provides for monthly deposits for a period of 5, 10 years and since 1st July, 1962, for 15 years, which are repayable at the end of the period with compound interest yielding a return, free of income-tax, of about 3·3 per cent, 3·8 per cent and 4·3 per cent per annum, respectively. Deposits are accepted in denominations of Rs. 5, 10, 20, 50, 100, 200 and 300, the maximum being Rs. 200 for a 5-Year and a 10-Year Account and Rs. 300 for the 15-Year Account. The limits in the case of joint accounts are double of the single accounts. The deposits in the case of 10-Year and 15-Year Accounts also qualify with effect from 1st July, 1962 for rebate on Income-tax in the same manner as life insurance premia and contributions to recognised Provident Funds and subject to the same limits, namely, Rs. 10,000 per annum or ¼th of the income per annum, whichever is less.

Current year's Budget assumed a credit of Rs. 4·5 crores from the collections under the scheme which on the latest trend of actuals are now estimated to increase to Rs. 6 crores. Next Budget allows for further improvement and accordingly takes a net credit of Rs. 9 crores.

12-Year National Defence Certificates.—A new series of 12-Year National Defence Certificates was introduced with effect from 15th November 1962 in replacement of the 12-Year National Plan Savings Certificates. The new certificates carry a yield of 6·25 per cent simple or 4·75 per cent compound as compared with the yield of 5·41 per cent simple or 4·25 per cent compound on the 12-Year National Plan Savings Certificates. Thus an investment of Rs. 100 in the new Certificates would yield Rs. 175 on maturity after 12 years as compared with Rs. 165 in the case of the earlier certificates. The limit for individual holdings has also been increased to Rs. 35,000 and to Rs. 70,000 for joint holdings inclusive of the certificates of earlier series. Co-operative Societies, Local Authorities and registered institutions, donations to which are exempt from income-tax, are allowed to invest up to Rs. 1 lakh. Provident Fund moneys can be invested without limit.

The sales of the National Defence Certificates are expected to amount to Rs. 45·70 crores this year. Next Budget allows for further improvement and assumes a net credit of Rs. 85 crores.

12-Year National Plan Savings Certificates.—The sale of these Certificates was discontinued with effect from 15th November 1962, on the introduction of the 12-Year National Defence Certificates. The gross sales during the current year have been placed at Rs. 42·20 crores and the discharges at Rs. 22·71 crores, thus giving a net credit of Rs. 19·49 crores. The discharges during the next year are estimated at Rs. 21·80 crores.

National Savings and Other Certificates.—These comprise the Defence Savings Certificates, the Post Office Cash Certificates, the National Plan and National Savings Certificates, the sale of which was discontinued with effect from October, 1943, June, 1947 and June, 1957 respectively.

The estimates of repayments on account of these Certificates are as follows:—

	Revised 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)	
Defence Savings Certificates	—2	—1
Post Office Cash Certificates	—30	—24
National Plan Certificates	—107	—91
National Savings Certificates	—1883	—4164
State Certificates	—2	—2
TOTAL	—2024	—1582

Other Unfunded Debt.—The transactions under this head relate mainly to the State Provident Funds and provision is made for the net excess of anticipated credits over debits. The rate of interest allowed to the subscribers to these funds except some earlier subscribers who are entitled to a minimum guaranteed rate of 4 per cent, is determined every year on the basis of the average redemption yield during the five calendar years immediately preceding, on all Government of India rupee loans, with unexpired maturity exceeding five years, rounded off to the nearest quarter. The rate for the current year as well as the next year is 4 per cent.

A net credit of Rs. 38·56 crores was assumed in the current year's Budget. The Revised estimate is now placed at Rs. 44·70 crores. Next year's estimates allow for normal increase on the basis of which a net credit of Rs. 46·92 crores has been assumed.

Railway Depreciation, Revenue Reserve and Development Funds.—Provision has been made for the anticipated transactions details of which appeared in the Railway Budget.

Telephone Development Fund.—Rentals for 20 years recovered in advance from subscribers who elect to own their telephones are credited to this Fund to be utilised for financing capital expenditure on providing telephone connections. The amounts collected are initially credited to revenue and corresponding amounts are transferred to the Fund through the expenditure head. The appropriations from the Fund are taken in reduction of the capital expenditure on Posts and Telegraphs.

The current Budget took credit for Rs. 90 lakhs under this head. This is now estimated to increase to Rs. 165 lakhs due to larger receipt of advance rentals, while the withdrawals are placed at Rs. 60 lakhs. Next year's estimates assume a credit of Rs. 130 lakhs and Rs. 50 lakhs as withdrawals.

P. and T. Renewals Reserve and Other Funds.—The details are:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
P. and T. Renewals Reserve Fund :			
Credit	9,48	9,14	14,74
Debit	2,20	2,11	1,50
Net (+)	7,28	7,03	13,24
P. and T. Development Fund	..	..	..
P and T. Revenue Reserve Fund	..	..	..
TOTAL (+)	7,28	7,03	13,24

The fall in the Revised in the credit to the Renewals Reserve Fund follows the decrease in the P & T surplus due to increase in working expenses, while the rise in the next Budget is due to increase surplus following larger anticipated Gross Receipts of the P & T Department. The expenditure met out of the Renewals Reserve Fund is placed at Rs. 211 lakhs this year and Rs. 150 lakhs next year.

Emergency Risks (Goods) and (Factories) Insurance Funds.—As explained in the Revenue Section, these Funds were constituted for the transfer of the premium receipts realised under the Emergency Risks (Goods) and (Factories) Insurance Acts, provision for the purpose being made in the Expenditure estimates. Provision for the expenditure on the working of the scheme is also made in the Expenditure estimates and simultaneously shown as recovered from the Funds. The Revised includes provision for transfer to the Funds of Rs. 2·7 crores for Goods Insurance and Rs. 6·3 crores for Factories Insurance for the quarter ending the 31st March, 1963, while next Budget assumes, on the basis of the existing rates, credits of Rs. 9·8 crores and Rs. 23·2 crores, respectively on this account. The expenditure on the administration of the schemes met out of the Funds will be Rs. 2 lakhs this year and Rs. 6 lakhs next year, thus giving a total net credit under the two Funds of Rs. 8·98 crores this year and Rs. 32·94 crores next year.

Appropriation for Reduction or Avoidance of Debt.—Credit has, as usual, been taken under this head for the transfer from revenue in each year of a sum of Rs. 5 crores for Reduction or Avoidance of Debt.

Deposits under Income-tax Act (Net).—Current year's Budget assumed a net withdrawal of Rs. 30 lakhs in respect of the deposits under the Income-tax Act against which the net withdrawals are now estimated at Rs. 38 lakhs this year and Rs. 19 lakhs next year.

Discount Sinking Fund.—When loans are issued at discount the total discount is debited to this head and credit for the face value of the loan is taken under "Permanent Debt". The discount initially taken to this head is written back to Revenue and debited to "Interest" over the period for which the loan is issued. Current Budget assumed a credit of Rs. 2·04 crores for write back to revenue of discount on loans floated in earlier years. As usual, no provision for any debit under this head was included in the original Budget as discount on new loans to be floated is not known in advance. The net credit this year under this head on account of the write back to Revenue would be Rs. 65 lakhs after taking into account the debit of Rs. 1·38 crores in respect of loans floated during the year. Next Budget provides for Rs. 1·89 crores for write back to Revenue of discount on loans floated up to the end of the current year.

Payment by Reserve Bank of India for Rupee coin.—Credit has, as usual, been taken for Rs. 5 crores each both this year and next year for payment by the Reserve Bank under section 36 of the Reserve Bank of India Act for rupee coins taken by it from Government.

Repayment of Advances by State Governments and Other Loans and Advances Repayments.—The principal portion of all repayments of loans is taken here, the interest receipts being taken under XVI Interest. The increase in the Revised under Repayment of Advances by State Governments is mainly due to recoveries of the Ways and Means advances allowed to the State Governments during the year to clear their overdrafts with the Reserve Bank. The fall in the Revised in the repayment of Other Loans and Advances is mainly due to non-materialisation of the

recovery of loans advanced to the Khadi and Village Industries Commission for which credit was assumed in the Budget. The increase in the repayments next year, both by State Government and other parties, reflects the growing volume of loans advanced for developmental and other purposes.

Other Deposits and Advances (Net).—The estimates here show net effect of transactions occurring under all other Sundry Deposit, Suspense, Remittances, etc. heads not dealt with earlier.

DISBURSEMENTS

As explained in the Notes on expenditure met from revenue, the figures of expenditure given here do not agree with those shown in the Demands for Grants, which are for gross amounts excluding recoveries and also where the same major head might appear in more than one Demand. The variations in the figures by major heads given in the Summary of Capital Transactions are explained below:—

Agricultural Improvement and Research.—Provision is made under this head for contributions to the National Cooperative Development and Warehousing Board and the Central and State Warehousing Corporations as well as to the share capital of Cooperative Societies in Union Territories. Provision is also included here for capital expenditure on schemes of development and research in agriculture such as Grow More Food Schemes in Union Territories, development of Marine Fisheries and expansion of various Research Institutes, such as, Indian Agricultural Research Institute, Rice Research Institute, National Sugar Institute and the Central Control Laboratories. Capital expenditure on the Delhi Milk Supply Scheme, other than for stock-in-trade and trading operations as also on the Central Mechanised Farm, Suratgarh is also provided under this head.

The decrease in the Revised is mainly due to the non-utilisation of the provision for contribution to the share capital of the Central Warehousing Corporation (Rs. 1 crore), the requirements of the Corporation having been met by the National Co-operative Development and Warehousing Board. The rest of the saving occurred under a number of heads, the major ones being Marine Fisheries (Rs. 25 lakhs) due to non-finalisation of land acquisition as well as of various schemes; Grow More Food Schemes in the Union Territories (Rs. 13 lakhs) due to late starting of Irrigation works; National Sugar Institute (Rs. 12·60 lakhs) consequent on less construction work than anticipated; contribution to State Warehousing Corporation (Rs. 11 lakhs) due to less requirements on the basis of accepted programmes and Delhi Milk Supply Scheme (Rs. 7 lakhs) due to less purchase of equipment and vans. Other contributory factors were savings under Rice Research Institute and Central Mechanised Farm, Suratgarh.

Further decrease in the next Budget is mainly due to the absence of provision for contribution to the National Co-operative Development and Warehousing Board which is being converted into a Corporation and will be financed through loans during the next year. This, however, is counter-balanced by provision for contribution to Central Warehousing Corporation (Rs. 1 crore) and increases under contribution to State Warehousing Corporation (Rs. 16 lakhs), share capital of Co-operative

Societies in Union Territories (Rs. 4 lakhs), Marine Fishers (Rs. 22 lakhs) and the National Sugar Institute (Rs. 10 lakhs).

Industrial Development.—Details of the provisions are indicated below:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Ministry of Commerce and Industry—			
Purchase of shares of:			
1. National Instruments Ltd.	50·00	..	..
2. Drugs Corporation	200·00	300·00	800·00
3. National Industrial Development Corporation	10·00	10·00	20·00
4. Hindustan Photo Film Manufacturing Co.	150·00	90·00	135·00
5. Hindustan Organic Chemicals Ltd.	250·00	100·00	30·00
6. Rehabilitation Industries Corporation	50·00	35·00	35·00
7. Hindustan Cables	75·00	75·00	..
8. Precision Instruments Ltd.	5·00	0·20	60·00
9. National Small Industries Corporation	..	10·00	..
10. Hindustan Salt Co. Ltd.	..	..	13·00
Expenditure on :			
11. Salt Works	7·41	5·00	1·00
12. Institute for Small Scale Industries	22·50	8·50	12·00
Ministry of Finance—			
Purchase of Shares of:			
13. Film Finance Corporation	6·00	6·00	..
14. Assam Financial Corporation	10·34	10·34	..
15. British India Corporation	32·63	32·63	29·50
Ministry of Mines and Fuel—			
Purchase of shares of:			
16. Sikkim Mining Corporation	3·80	11·76	..
17. Neyveli Lignite Corporation Ltd.	486·00	473·78	..
18. Oil India Ltd.	50·00	50·00	50·00
19. National Coal Development Corporation	750·00	400·00	1000·00
20. Singareni Collieries Co. Ltd.	325·00	..	..
21. National Mineral Development Corporation Ltd.	300·00	250·00	230·00
22. Indian Refineries Ltd.	700·00	1230·00	..
23. Indian Oil Company Ltd.	50·00	50·00	175·00
24. Manganese Ore (India) Ltd.	..	29·15	7·00
25. Subscription to debentures of Oil India Ltd.	650·00	625·00	625·00

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Expenditure on :			
26. Oil and Natural Gas Commission	2700·00	2194·00	2986·00
Ministry of Scientific Research and Cultural Affairs—			
27. Grant to the Council of Scientific and Industrial Research	315·00	315·00	260·00
28. Equipment for Indian School of Mines, Dhanbad	3·00	2·25	2·00
29. Share Capital of National Research Development Corporation	..	5·00	5·00
Ministry of Steel and Heavy Industries—			
Investment in :			
30. Heavy Structurals Project	1·00	1·00	1·00
31. Heavy Plate and Vessels Project	1·00	1·00	10·00
Purchase of shares of :			
32. Mysore Iron and Steel Ltd.	1·00	1·00	1·00
33. Hindustan Steel Ltd.	6000·00	6459·15	10000·00
34. Heavy Electricals Ltd.	300·00	300·00	600·00
35. Heavy Engineering Corporation	2000·00	3000·00	2700·00
36. Hindustan Machine Tools	150·00	150·00	..
37. Fertilizers Corporation of India	400·00	245·00	786·00
38. Fertilizers and Chemicals Travancore Ltd.	150·00	210·07	140·00
39. Machinery Manufacturers Corporation	..	3·38	..
Ministry of Transport and Communications—			
Investment in:			
40. Establishment of Second Shipyard	14·99	5·63	9·80
Purchase of Shares of:			
41. Hindustan Shipyard Ltd.	59·36	59·36	41·32
42. Hindustan Teleprinters Ltd.	17·00	24·80	..
43. Shipping Corporation of India	60·00	..	..
44. Investment in Air India International	197·28	151·43	..
45. Investment in Indian Airlines Corporation	263·50	275·52	46·17
Ministry of Works, Housing and Rehabilitation—			
46. Investment in Government Housing Factory	·01	·02	..
47. Purchase of shares of National Building Construction Corporation	8·00	38·00	12·00
48. Purchase of Shares of Hindustan Housing Factory	..	..	3·99
Department of Atomic Energy—			
49. Acquisition of Land	39·00	6·00	51·00
50. Buildings and Roads, etc.	72·00	67·79	86·10

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
51. Canada India Reactor	3·30	3·30	..
52. Apsara Reactor	0·70	1·25	..
53. Thorium Uranium Plant	0·50	..	0·50
54. By Product Recovery Plant	123·00	136·00	100·00
55. Jaduguda Mining Project	50·00	30·85	90·00
56. Zerlina Reactor	..	0·01	..
57. Uranium Ore Mill	55·00	65·00	200·00
58. Laboratories	105·60	73·45	90·10
59. Central Complex	25·00	7·60	20·00
60. Stocks and Suspense	10·00	10·00	10·00
61. Cosmic Ray Research Laboratories	3·50	4·00	5·30
62. Nuclear Power Stations	85·00	61·60	619·00
63. Space Research Programme	..	11·50	23·40
64. Investment in Indian Rare Earths, Ltd.	..	36·00	..
65. Other miscellaneous expenditure	255·00	169·25	278·20
TOTAL	17652·42	17967·57	22400·38

The increase in the Revised is the net result of variations under a number of heads. The main increases are on account of Heavy Engineering Corporation (Rs. 10 crores), Indian Refineries (Rs. 5.30 crores), Hindustan Steel (Rs. 4.6 crores) and the Drugs Corporation (Rs. 1 crore) and represent their larger requirements for developmental purposes. These are, however, partly counter-balanced by decreases under Oil and Natural Gas Commission (Rs. 5.06 crores), National Coal Development Corporation (Rs. 3.5 crores), Singareni Collieries (Rs. 3.25 crores), Fertilizers Corporation (Rs. 1·55 crores), Hindustan Organic Chemicals Limited (Rs. 1·8 crores) and Atomic Energy Development (Rs. 1 crore).

Next Budget provides for larger expenditure on industrial development, mostly for Plan schemes, the main increases being on account of Hindustan Steel (Rs. 35.4 crores), Atomic Energy Development mainly for Nuclear Power Stations and Uranium Ore Mill (Rs. 8.5 crores), Oil and Natural Gas Commission (Rs. 7.92 crores), National Coal Development Corporation (Rs. 6 crores), Fertilizers Corporation (Rs. 5.41 crores) Drugs Corporation (Rs. 5 crores), Heavy Electricals (Rs. 3 crores) partly counterbalanced by reduced requirements of Indian Refineries (Rs. 12·3 crores), Neyveli Lignite Corporation (Rs. 4.74 crores), Air Corporations (Rs. 3.81 crores) and Heavy Engineering Corporation (Rs. 3 crores).

Broadcasting.—Provision is made under this head for the capital requirements of the All India Radio, the details of which are given in the Demands for Grants.

The slight increase in the Revised is the net result of a saving in the gross expenditure due to less receipt of equipment including transmitters for Broadcasting Stations which will be more than counterbalanced by less recoveries under suspense transactions.

Next Budget includes provision for installation of a 100-K.W. Short-wave Transmitter in Delhi which explains the increase next year. This,

however, is partly counterbalanced by reduced provision for medium wave schemes which have been completed.

Multipurpose River Schemes.—Provision is made here for the Centre's share of the capital outlay on the Damodar Valley Corporation and for expenditure on the Farakka Barrage Project as well as on the Central Water and Power Research Station, Poona. The decrease in the Revised is mainly due to less expenditure on the Farakka Barrage Project, both on the Barrage and on the Feeder Canal, due to changes in designs, delay in land acquisition and difficulties in obtaining coal and bricks, as well as non-utilisation of the provision for dredgers (Rs. 4.34 crores). The rest of the savng is due to the reduced requirements of the Damodar Valley Corporation (Rs. 1.44 crores). Next Budget provides for anticipated Accelerated work on the Farakka Barrage Project (Rs. 5.28 crores) and the requirements of the Damodar Valley Corporation (Rs. 4.5 crores).

Irrigation and Electricity Schemes.—The provision relates mainly to the Flood Control Schemes in the Union Territories of Delhi and Tripura and for Electricity Supply schemes in Himachal Pradesh, Tripura and Manipur. The details of the provision are as follows:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Electricity Supply Schemes:—			
Andamans	4·46	2·50	3·50
Tripura	10·45	13·95	16·75
Manipur	24·01	12·68	18·08
Himachal Pradesh	40·32	30·00	28·00
North East Frontier Agency	7·00	5·00	..
Laccadive, etc. Islands	1·00	1·00	2·00
Naga Hills—Tuensang Area	6·50	6·30	6·00
TOTAL—Electricity Supply Schemes	93·74	71·43	74·33
Flood Control Works:			
Delhi	30·00	45·87	36·11
Manipur	1·50	·75	1·00
Tripura	3·00	4·75	2·75
TOTAL—Flood Control Works	34·50	51·37	39·86

Public Works.—The provision under this head relates to the capital expenditure on Roads, including National Highways and border roads, and on buildings, the latter at places other than Delhi. A broad analysis of the provision included in the Budget is given below:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
National Highways, Border Roads and other Roads	4902·00	4770·79	6131·21
Construction of houses, etc. for displaced persons	25·95	25·95	26·62
Value of buildings transferred to displaced persons	—150·00	—150·00	—120·00
Other buildings	924·05	924·05	773·38
TOTAL	5702·00	5570·79	6811·21

The decrease in the Revised is mainly due to less expenditure on construction of border roads (Rs. 2.31 crores). This, however, is partly counterbalanced by larger provision required in connection with certain emergent works relating to the National Highways and bulk purchase of Road Rollers for various road projects with a view to expedite the road works. The next Budget includes larger provision for construction of National Highways which is placed at Rs. 35 crores as against Rs. 20 crores in the Revised mainly on account of the works undertaken following the agreement with the International Development Association for which loan assistance is available from that body. The expenditure on border roads is, however, placed at Rs. 20.81 crores next year as against Rs. 22.96 crores in the Revised.

The current Budget included a provision for gross expenditure of Rs. 25.95 lakhs in connection with rehabilitation works and for recovery of Rs. 1.5 crores as cost of Government buildings transferred to displaced persons by way of compensation, for which provision is made under the head "Payment of Compensation and Rehabilitation Grants to Displaced persons". The provision for gross expenditure as well as for recoveries has been repeated in the Revised while next Budget provides for a gross expenditure of Rs. 26.62 lakhs and a recovery of Rs. 1.2 crores as cost of Government buildings transferred to displaced persons by way of compensation.

The decrease in the provision next year for capital expenditure on other buildings follows the reduction in the works programme due to the Emergency.

The details of Major Works in respect of buildings costing Rs. 5 lakhs and above are given in the annexure to the Demand "Captial Outlay on Public Works".

Delhi Capital Outlay.—The cost of construction of buildings in Delhi and New Delhi is booked under this head. The details of works costing Rs. 5 lakhs and above have been given in the annexure to the Demand "Delhi Capital Outlay."

The current Budget provided for a gross expenditure of Rs. 8.83 crores and recovery on captial account of Rs. 58 lakhs, mainly from lease money and sale-proceeds of property. Provision for gross expenditure has been repeated in the Revised but the recoveries on Capital Account are larger which explains the slight decrease in the Revised. Next Budget includes provision for gross expenditure of Rs. 8 crores, the decrease being mainly due to less provision for large scale acquisition and development of land in Delhi, for which Rs. 1.5 crores have been provided in the next Budget as against Rs. 2.5 crores in the Current Revised. Recoveries on Capital Account next year are estimated at Rs. 62 lakhs.

Dandakaranya Development Scheme.—This head accommodates the expenditure on the development of Dandakaranya on the borders of Andhra Pradesh, Orissa and Madhya Pradesh for the rehabilitation of displaced persons from East Pakistan as well as for the welfare of local population, particularly tribals.

Current Budget included a provision for gross expenditure of Rs. 5.05 crores and recoveries under suspense transactions and on capital account including sale of consumer stores of Rs. 1.14 crores. The gross expenditure is now expected to be larger due mainly to purchase of more trucks and consumer stores (Rs. 5·21 crores) while the recoveries are also anticipated to be lower (Rs. 46 lakhs) which explains the increase in the Revised.

Next Budget places the gross expenditure at Rs. 3.90 crores on the basis of the anticipated progress on various schemes and the recoveries at Rs. 44 lakhs.

Other Works.—This head includes provision for construction of Food Storage Godowns and a Modern Storage Project. Decrease in the Revised is mainly due to less expenditure on Food Storage Godowns (Rs. 2.40 crores) due to non-availability of land and slow progress on account of non-finalisation of suitable designs. The Revised also includes a provision of Rs. 6 lakhs for the construction of jetties and other loading and unloading facilities in connection with the scheme for transport of coal by road-*cum*-river route from the mines in Bihar to the consumption centres in U.P. Next Budget includes provision of Rs. 5.71 crores for Food Storage Godowns, Rs. 7.7 lakhs for Modern Storage Project, and Rs. 14 lakhs for the construction of jetties and other loading and unloading facilities.

Ports.—Provision is made under this head for the construction of Kandla Port and of the township at Gandhidham and development of the major ports at Vishakhapatnam, Mangalore and Tuticorin and of minor ports in Andaman and Nicobar Islands. The details of the provision are as follows:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
		(In Lakhs of Rupees)	
Kandla Port	88·77	58·79	42·20
Gandhidham	4·65	7·91	5·40
Vishakhapatnam Port	153·90	156·87	518·00
Mangalore Port	12·00	4·64	10·00
Tuticorin Port	12·00	4·07	10·00
Minor Ports in Andaman and Nicobar Islands	15·80	6·00	10·00
TOTAL	287·12	238·28	595·60

The decrease in the Revised under Kandla Port is due to suspension of work on the 6th Berth, late start of dredging of the 5th Berth, delay in the construction of fishing jetty and in the procurement of certain equipment. The increase under Gandhidham is due to less recoveries on account of suspense and other transactions partly counterbalanced by less procurement of tools and plant. The fall in the Budget both for Kandla and Gandhidham reflects the measures taken to effect economies in view of the Emergency.

The large increase in the Budget under Vishakhapatnam is on account of expenditure on the development of the Port including construction of 4 additional berths and installation of Mechanical Orehandling Plant designed to augment the capacity for handling bulk ore export. Provision next year includes Rs. 2.01 crores on account of cost of material and equipment for which corresponding loan assistance from U.S. President's Asian Economic Development Fund would be available.

The saving in the Revised in respect of Mangalore and Tuticorin Ports is due to delay in the acquisition of land at the Ports and consequent slow progress of construction works. Budget next year includes provision on the basis of anticipated accelerated development and for purchase of agricultural requirements.

The decrease under Minor Ports of Andaman and Nicobar Islands in the Revised is mainly due to non-utilisation to the full extent of the provision for expenditure on the procurement of a dredger and a pile driving plant. Budget next year provides for expenditure on the construction of jetties, purchase of a floating pile driver and navigational aids.

Light-houses and Light-ships.—The surplus of the Light houses receipts, after meeting the current expenditure on the maintenance of Light-houses and Light-ships and other Revenue expenditure in connection therewith, is transferred to the General Reserve Fund—Light-houses and Light-ships. The capital expenditure on Lighthouses and Light-ships was until 1961-62 provided for in the Revenue Budget and met from the balance available in the General Reserve Fund, which, however, on account of the accelerated programme of development of Light-houses and Light-ships was not sufficient to meet the capital requirements of the Department. Accordingly, the provision for capital expenditure has been transferred to the Capital Budget outside the Revenue Account with effect from the current year and would be met from the General Reserve Fund to the extent of the balance available in the Fund, the rest being met from other capital resources. The Gross provision for capital expenditure is estimated at Rs. 99·98 lakhs in the current year and Rs. 99·05 lakhs in the next year as compared to the current Budget of Rs. 115 lakhs, the fall being due mainly to economy measures. The expenditure will be met to the extent of Rs. 65·92 lakhs this year and Rs. 76·12 lakhs next year from the General Reserve Fund, as against Rs. 23·32 lakhs assumed in the Budget, the increase being due to improvement in the balance in the Fund following the upward revision in the rates of Light-house dues.

Aviation.—Provision is made under this head for works at the International and other Airports in the country. The decrease in the Revised is due mainly to postponement of certain Aviation Works in view of the Emergency. Part of the saving is also due to slow progress on works relating to the Aeronautical Communication Service. The increase in the next Budget represents provision for works to meet the increased demand and for improving Aeronautical Services as well as for purchase of Tools and Plant for meeting the needs of the Engineering Establishment.

Road and Water Transport Schemes.—The current Budget included a provision of Rs. 28·36 lakhs and Rs. 13 lakhs for capital expenditure on Bus Services in Himachal Pradesh and Manipur, respectively. The expenditure is now estimated at Rs. 26·46 lakhs in Himachal Pradesh and Rs. 13 lakhs in Manipur, the corresponding figures for next year being Rs. 27·40 lakhs and Rs. 8·5 lakhs, respectively.

The Revised as well as Budget includes a provision of Rs. 50 lakhs each for the purchase of 100 truck chassis and construction of bodies thereon for the movement by road of essential supplies to Assam.

Purchase of dredgers, tugs, survey launches, etc. for conservancy measures and navigational aids in connection with the new scheme for the movement of coal by road and river transport from the mines in Bihar to consumption centres in U.P., accounts for a provision of Rs. 27 lakhs in the Revised and Rs. 43 lakhs in the next Budget.

Overseas Communications Service.—The current Budget included a gross provision of Rs. 59·16 lakhs for capital expenditure on the Overseas Communications Service including Rs. 10·95 lakhs to be financed from the Renewals Reserve Fund. The gross expenditure is now estimated

at Rs. 50·24 lakhs, due mainly to less expenditure on plant and machinery and renewal works. The expenditure debitable to the Renewals Reserve Fund would also be less at Rs. 3·35 lakhs. The gross expenditure next year has been placed at Rs. 48·77 lakhs, the fall being mainly due to the curtailment of construction programme, the expenditure to be met out of Renewals Reserve Fund being Rs. 8·75 lakhs.

Shipping, Tankers, etc.—The current Budget included a provision of Rs. 102·50 lakhs for the Dredger-cum-Survey Launch Pool for minor ports, Rs. 75 lakhs for purchase of ships for Andaman and Nicobar Islands and Rs. 10 lakhs for boats for Laccadive, Minicoy and Amindivi Islands. Postponement of the purchase of boats for the Laccadive-Amindivi Islands and non-utilisation of the provision for purchase of vessels for Andaman and Nicobar Islands explain the saving in the Revised. The expenditure on the Dredger-cum-Survey Launch Pool is also expected to be less at Rs. 93·88 lakhs in the current year. Next Budget includes provision for the Dredger-cum-Survey Launch Pool (Rs. 85 lakhs), ships and water boats for Andamans-Nicobar Islands (Rs. 38·22 lakhs) and boats for Laccadive-Amindivi Islands (Rs. 10 lakhs).

Currency and Coinage.—The details of the provision are as under:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
(*a*) Purchase of metal for Coinage (Net)	—49·14	—32·57	—38·75
(*b*) Subscription to International Development Association	369·88	369·88	369·88
(*c*) Purchase of gold	265·00	965·00	675·00
(*d*) Payment to Reserve Bank against Hyderabad Currency Note liability taken over by the Bank	—60·00	—60·00	—60·00
(*e*) Currency Note Press	33·42	39·20	6·89
(*f*) Security Paper Mill	113·66	55·18	200·00
(*g*) Other Miscellaneous Charges	·75	1·00	1·42
TOTAL	673·57	1337·69	1154·44

(a) *Purchase of metal for coinage (Net).*—The expenditure on the purchase of metal for coinage and the metal value of uncurrent coins destroyed is debited to the Head "Capital Outlay on Currency and Coinage", the value of the metal actually used for coinage, etc. being taken as a credit under this head. The current Budget included a provision of Rs. 125 lakhs for purchase of metal and Rs. 79·60 lakhs on account of metal value of uncurrent coins and a recovery of Rs. 253·74 lakhs on account of metal used for coinage and disposal of some metal. The Revised Estimates for this purpose are placed at Rs. 88 lakhs, Rs. 79·98 lakhs and Rs. 200·55 lakhs respectively. Next Budget allows larger provision for purchase of metal as well as for recovery on account of metal used for coinage, the respective figures for purchase of metal, metal value of uncurrent coins and recovery due to metal used for coinage being Rs. 120 lakhs, Rs. 61·60 lakhs and Rs. 220·35 lakhs.

(b) *Subscription to International Development Association.*—Provision for subscription to the International Development Association, an affiliate of the World Bank, which was set up to supplement the activities of the latter in the field of assistance to member-countries for Development Project, is made under this head. The subscription is payable

partly in US dollars and partly in the form of non-negotiable, non-interest bearing rupee securities credit for which is taken, on the Receipts side, under 'Special Floating Loan'. Payment during the current year amounted Rs. 369·88 lakhs provision for which has been repeated in the next Budget.

(c) *Purchase of Gold.*—Current Budget included a provision of Rs. 2·65 crores for purchase of gold produced at the Kolar and Hutti Gold Mines, Mysore at the official rate of Rs. 62·5 per tola (Rs. 53·58 per 10 grammes). The Kolar Gold Mining Undertaking has since been taken over by the Central Government but the gold produced from the mines will continue to be purchased by the Central Government, the Undertaking being treated as a Commercial Department. Accordingly, expenditure on the purchase of Kolar Gold after 1st December, 1962 will be matched by a corresponding credit under the head "Kolar Gold Mines" in the Revenue Section. Payment for the purchase of Hutti Gold will, however, continue to be made to the Mysore Government. The current Budget for the purchase of Kolar and Hutti gold has been repeated in the Revised, the break up of which now is:—

Payment to Mysore Government for Kolar and Hutti Gold up to 30th November, 1962 and for Hutti Gold thereafter—Rs. 1·85 crores and payment for Kolar Gold after 1st December, 1962 for which corresponding credit appears in the Revenue Budget—Rs. 80 lakhs.

Next Budget includes provision of Rs. 2·75 crores on account of Kolar and Hutti Gold, against which a credit of Rs. 2·42 crores being the value of the Kolar Gold, appears in the Revenue Budget, the balance of Rs. 33 lakhs being for the purchase of Hutti gold from the Mysore Government.

The rest of the provision under this head, both in the Revised and the next Budget, represents the value of the gold tendered as subscription for 6½ per cent Gold Bonds, 1977 and the contributions in gold to the National Defence Fund. The accounting procedure in the case of Gold Bonds is that the value of the gold tendered by way of subscription, as determined after assay at Government Mints, at the official rate of Rs. 53·58 per 10 grammes of ·995 fineness, is debited to this head, by contra credit under "Public Debt". The gold contributions to the National Defence Fund will be valued likewise, credit being taken under National Defence Fund by debit to this head. The value of Gold Bonds which will be issued and adjusted during the current year is estimated at Rs. 7 crores, the corresponding figure next year, including the adjustment of gold contributed to the National Defence Fund, being placed at Rs. 4 crores.

(d) *Payment to Reserve Bank against Hyderabad Currency Note liability taken over by the Bank.*—The expenditure amounting to Rs. 8·96 crores incurred in connection with the replacement of the O.S. currency of the former State of Hyderabad by Indian currency and initially debited to the head 'Capital Outlay on Currency and Coinage' is written back to revenue in 15 instalments. The write back this year as well as next year would amount to Rs. 60 lakhs each, for which the corresponding provision has been made in Revenue Section under the head "Currency and Coinage".

(e) *Currency Note Press.*—The increase in the Revised is due mainly to the share of the Currency Note Press in the expenditure on the construction of the labour colony and the acquisition of the Distillery

Estate being more. The decrease next year is due to the absence of provision for the acquisition of the Distillery Estate and reduced requirements for the New Currency Note Press and the labour colony as the major portion of the work will be completed in the current year.

(f) *Security Paper Mill.*—The capital expenditure during the current year on the setting up of a mill for the production of 2,000 tonnes per annum of currency and bank note paper is now placed at Rs. 55·18 lakhs as against Rs. 113·66 lakhs assumed in the Budget. Tht decrease is due mainly to slow progress on civil works and non-receipt of plant and equipment. The throw-forward of expenditure and anticipated accelerated development explain the increase next year.

Mints.—This head provides for expenditure on land, buildings, plant and machinery and stores of the Government of India Mints and Silver Refinery. The increase in the next Budget represents larger provision for import of certain essential equipment and stores required for the Mints.

Kolar Gold Mines.—This is a new head opened for recording the capital expenditure on Kolar Gold Mines which have been taken over by the Central Government with effect from 1st December, 1962 and which are being managed as a departmental commercial concern. The Revised includes a provision of Rs. 35·21 lakhs for expenditure on exploration and development of the mines and miscellaneous schemes of replacement and renewal costing Rs. 13·49 lakhs which will be met from the Reserve Funds of the Undertaking. Next Budget provides for a sum of Rs. 3 crores payable to the Mysore Government towards compensation for the transfer of the Kolar Gold Mining Undertaking to the Central Government and Rs. 59·32 lakhs for exploration and developent and miscellaneous schemes of which Rs. 24·32 lakhs will be met out of the Reserve Funds.

Commuted Value of Pensions.—This head records the expenditure on payment of commuted value of pensions which is debited to capital in the first instance and written back to Revenue by a system of equated payments of principal and interest spread over 15 years. The gross payments this year are estimated at Rs. 100·78 lakhs as against Rs. 232·40 lakhs assumed in the Budget, the recoveries on account of equated instalments transferred to Revenue and from State Governments being Rs. 90·82 lakhs as against Rs. 92·81 lakhs taken credit for in the Budget. The decreased in the gross provision in the Revised is due to lesser payments than anticipated under the scheme for commutation of pensions of Other Ranks of Defence Services. The next Budget includes a slightly larger provision for payments under the scheme of commutation of pension of Other Ranks of Defence Services, while the recoveries have been placed at Rs. 92·86 lakhs.

Sterling Pensions.—The payment made to the U.K. Government for purchase of annuities to meet India's Sterling Pensions under the Sterling Balances Agreement, 1948, was debited to this head. These pensions have been transferred with effect from 1st April, 1955, to the U.K. Government who agreed to repay in 10 equal annual instalments, commencing from 1st April, 1955, the outstanding balance on that date under this head less the capital value of the estimated future costs of the pensions transferred to them. The amount refundable by the U.K. Government has been provisionally assumed to be £ 40 million (Rs. 53·33 crores). The instalments payable on the 1st April of each of the four years from 1958 to 1961 amounting to £ 16 million (Rs. 21·3 crores) were paid in one lump sum on 1st April, 1958. A further sum of £10 million towards the instalments

payable on 1st April, 1962 and 1963 and one-half of the instalment payable on 1st April, 1964 (Rs. 13·3 crores) was paid in February, 1959.

The net debit outstanding under the Capital head on 31st March, 1955 was Rs. 172 crores of which Rs. 53·33 crores were to be refunded by the U.K. Government. The balance, representing the capital value of the estimated future costs of the pensions transferred to the U.K. Government, has to be written back to revenue in annual equated instalments of principal and interest over a period of 30 years, after recovering the share due from State Governments, Commercial Departments and the Defence Services.

The estimated recoveries on account of principal to be credited to this head in the current and next year are as follows:—

	Budget 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Amount refundable by the U. K. Government	..	..	..
Share recoverable from the States	—62·72	—62·72	—63·35
Share debitable to Defence Estimates	—243·50	—243·50	—245·93
Share recoverable from P. & T.	—4·99	—4·99	—5·04
Amount recoverable from Railways	—4·14	—4·14	—4·18
Amount met from Revenue (Civil)	—54·51	—54·	—55·06
TOTAL	—369·86	—369·86	— 3

Schemes of Government Trading.—This head accommodates the receipts and payments in connection with the various schemes of Government Trading. The major schemes together with the transactions thereunder are indicated below:—

Schemes	Budget, 1962-63		Revised, 1962-63		Budget, 1963-64	
	Debit	Credit	Debit	Credit	Debit	Credit
			(In Lakhs of rupees)			
1. Purchase of Foodgrains	19432	16008	21785	19726	25731	20703
2. Purchase of Fertilizers	4800	5231	4802	5320	5200	5650
3. Delhi Milk Supply Scheme	310	345	295	328	420	465
4. Medical Store Depots and Factories	307	281	310	281	447	400
5. Purchase of Iron and Steel	537	628	84	335	38	71
6. Procurement of Foodstuffs and other essential commodities for Tribal areas	90	101	108	119	123	131
7. Purchase of Electrical Generating Plants	..	..	..	..	400	..
8. Procurement and marketing of cardamom	..	..	..	..	49	..

The increased provision for gross expenditure under purchase of foodgrains, both in the Revised and the next Budget, follows larger imports, particularly under PL 480, and more internal procurement for building up reserves. The provision for advances allowed to the State Governments for facilitating procurement operations is also larger, the recoveries being correspondingly larger for the same reason. The recoveries on account of sale proceeds are placed higher at Rs. 165·61 crores this year and Rs. 170·19 crores next year. The rest of the provision under recoveries represents the trading losses arising out of sale of foodgrains at subsidised prices being written off to Revenue over a period of years, the provision for this purpose in the Revised and the next Budget being Rs. 12·78 crores and Rs. 12·09 crores, respectively.

The increase in the next Budget in the gross provision for the purchase of fertilizers as well as under recoveries represents larger purchases and sales of fertilizers, both imported and indigenous, to meet the increasing agricultural requirements.

The decrease in the Revised under the Delhi Milk Supply Scheme is consequent on lesser milk purchases and production, while the increase in the next Budget represents the larger outlay required for purchases and production to cope with the demand.

Larger provision has been included in the next Budget for purchase of medical stores and raw materials required for factories to cope with the requirements of the medical institutions and to build up stocks.

The provision under Purchase of Iron and Steel represents mainly the requirements for the Steel received on Loan basis under the D.L.F. and T.C.A. Agreements. The value of steel is adjusted under 'Public Debt' by *per contra* debt, along with the incidental charges, under this head. The sale proceeds are also credited as recoveries under this head. The provision in the Revised as well as the next Budget is mostly on account of the adjustment of incidental charges and sale proceeds, the decrease being due to the fact that at present Steel is being imported under the D.L.F. Agreement by the quota holders themselves, the assistance received being directly taken to 'Public Debt'.

The increase in the provision for the procurement of foodstuffs and other essential commodities for tribal areas is consequent on the increased requirements in NEFA due to disturbed conditions.

Next Budget includes provision for 2 new schemes namely, Purchase of Electrical Generating Plants (Rs. 4 crores) and procurement and marketing of cardamom (Rs. 49.25 lakhs) which have been taken up with a view to build up a reserve stock of mobile sets to meet operational and other requirements and for maintaining floor prices of cardamom, respectively.

Grants for Development.—This head records the expenditure on Grants to States, local bodies and employers for schemes of development which in view of their magnitude are capitalised in the first instance and written back to Revenue over a period of 15 years. Among the major items for which the capital grants are given are, Local Development Works, Industrial Housing and Slum Clearance Schemes, National Water Supply and Sanitation Programme and Roads of inter-State or economic importance including border roads. During the year a new scheme for intensive development of rural industries has been taken up, grants for which are

also capitalised and provided for here. The details of the provision in respect of the various items are as follows:—

	Budget, 1962-63	Revised, 1962-63	Budget 1963-64
		(In Lakhs of Rupees)	
Local Development Works	500·00	494·40	395·70
Pilot projects for utilization of Manpower	50·00	50·00	250·00
Projects for intensive developmentof Rural Industries	..	11·00	104·00
Industrial Housing and Slum Clearance Schemes	674·63	644·63	424·30
National Water Supply and Sanitation Programme	125·00	125·00	120·00
Roads of Inter-State or Economic Importance including Border Roads	1517·00	1327·25	1441·13
TOTAL	2866·63	2652·28	2735·13
Less—Amount written back to revenue	726·39	715·09	880·53
Net	2140·24	1937·19	1854·60

The decrease in the Revised is mainly due to lesser provision for grants to States for construction of border roads as well as to Dock Labour Boards for their housing schemes. The increase next year as compared to the Revised represents larger provision for grants to States for construction of border roads as well as for Pilot Project for utilisation of manpower and those for intensive development of rural areas, partly counterbalanced by lesser provision for local development words and subsidised Industrial Housing Schemes.

The details of the amounts written back to Revenue are as follows:—

	Budget 1962-63	Revised, 1962-63	Budget, 1963-64
		(In Lakhs of Rupees)	
Local Development Works	—221·69	—221·69	—254·65
Projects for utilization of Manpower	—3·35	—3·30	—6·64
Projects for intensive development of Rural Industries	..	..	—·73
Industrial Housing and Slum Clearance Schemes	—149·05	—140·62	—183·20
Grants under Gadgil Committee's Award	—71·17	—71·17	—71·17
National Water Supply, etc. Programme	—70·07	—70·32	—78·65
Grants for Roads of Inter-State or Economic Importance including Border Roads	—211·08	—207·99	—285·49
TOTAL	—726·39	—715·09	—880·53

Compensation to displaced persons.—This head records payments of compensation to displaced persons under the Displaced Persons (Compensation and Rehabilitation) Act, 1954, and payments to migrants from the Pakistan held areas of Jammu and Kashmir. The sale proceeds of evacuee property transferred from Revenue are credited to this head and the net capital expenditure is written back to Revenue over a period of 15 years.

The current Budget provided for a gross expenditure of Rs. 6 crores for payment of compensation to displaced persons from West Pakistan and Rs. 130.50 lakhs for payments to migrants from Pakistan held areas of Jammu and Kashmir. The revised requirements for payment to displaced persons from West Pakistan are placed lower at Rs. 3.40 crores on account of less adjustment of loans towards compensation due to non-finalisation of claims. The payments to migrants from Pakistan held areas of Jammu and Kashmir are also placed lower at Rs. 40 lakhs. Next Budget includes a provision of Rs. 260 lakhs for payment to displaced persons from West Pakistan, of which Rs. 1.2 crores will represent transfer of evacuee property, Rs. 1 crore as adjustment of loans and Rs. 40 lakhs as cash compensation. A provision of Rs. 65 lakhs has also been included for payment to migrants from Pakistan held areas of Jammu and Kashmir.

The gross expenditure under this head will be met to the extent of Rs. 3.50 crores this year and Rs. 3 crores next year from the sale proceeds of evacuee property transferred from Revenue, provision for which has been made in the Revenue section under Expenditure on Displaced Persons. The write back to Revenue of the net capital expenditure would be Rs. 4.75 crores this year and Rs. 4.60 crores next year. With this adjustment, there would be under this head a net credit of Rs. 445 crores this year and Rs. 4.35 crores next year as against Rs. 80 lakhs assumed in the Budget.

Transfer of Development Assistance from the Government of U.S.A.—This head accommodates the transactions relating to the assistance received from the U.S.A. under the Development Assistance Programme and Public Law 480. The value of the surplus agricultural commodities received under the Development Assistance Programme and P.L. 480 is debited to the head Capital Outlay on Schemes of Government Trading to which the sale proceeds are also credited. The payments to the U.S. Government are made in rupees, the bulk of which is to be received back for utilisation on approved projects and credit for such receipts is taken under Revenue or Public Debt depending on whether they are grants or loans. For other commodities received under the Development Assistance Programme, no payment is made but the amount is treated as lent to the Government of India and directly adjusted as such under Public Debt. In both cases an amount equivalent to the loan or the grant, as the case may be, is transferred to the Special Development Fund by debit to "Transfer of Development Assistance from Government of U.S.A." for loans and the corresponding expenditure head for grants. The expenditure on agreed projects is thereupon met by transfer from the Special Development Fund.

A provision of Rs. 63.28 crores was made under this head for transfer of loan assistance to the Special Development Fund, of which Rs. 60 crores

pertained to P.L. 480 and the balance to the Development Assistance Programme. On the basis of agreements entered into with the American authorities and the anticipated expenditure on the projects selected for the purpose, the loan assistance from P.L. 480 is new estimated at Rs. 80 crores this year and Rs. 60 crores next year. The assistance under the Development Assistance Programme is estimated at Rs. 3·31 crores this year and Rs. 1·55 crores next year of which Rs. 1·87 crores this year and Rs. 1·55 crores next year are on account of the Delhi Thermal Plant and Rs. 1·44 crores this year are for Malaria Control.

Payments under Indus Waters Treaty.—Payments made to the International Bank for Reconstruction and Development for the credit of the Indus Basin Development Fund established and administered by the Bank in terms of the Indus Waters Treaty, 1960 towards the cost of replacement works to be constructed in Pakistan as a result of the allocation of the waters of the Indus Basin in terms of the Treaty, are debited to this head. The contribution payable by India under the Treaty amounts to Rs. 82.75 crores payable in 10 equal annual instalments on the 1st November of each year, the first of which was paid in 1960-61. Similar amounts were paid in November, 1961 and November, 1962 and the budget next year includes provision for the payment of the another instalment. These payments are initially debited to the Capital section of the accounts and are written back to revenue in 15 equal annual instalments. The receipts, if any, from the International Bank arising under the Treaty would be taken in reduction of the capital expenditure. The progressively decreasing net expenditure under this head is consequent on the increasing recoveries representing the additional instalment of write-back in respect of each succeeding year.

Other Civil Heads.—Broad details of the provisions are given below:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In lakhs of Rupees)		
Capital Outlay on India Security Press	41·66	35·25	18·58
Capital Outlay on Improvement of Public Health	64·00	48·50	42·66
Capital Outlay on Rail-Road Co-ordination Schemes	3·50	3·26	3·00
Capital Outlay on Forests	14·31	11·28	9·93
TOTAL	123·47	100·29	74·17

India Security Press.—The slight fall in the Revised is due to the share of the Security Printing Press in the expenditure on the construction of the labour colony and acquisition of Distillery Estate being less. The further decrease next year is due to absence of provision for acquisition of Distillery Estate and reduced requirements for the labour colony partly counterbalanced by increased requirements for plant and machinery.

Improvement of Public Health.—The Capital expenditure on Water Supply and Sanitation Schemes in Union Territories is recorded under this head. The decrease in the Revised is mainly due to non-receipt of pipes and other equipment for water supply schemes in Manipur and Tripura. The next Budget has been placed slightly higher on the basis of requirements after making due allowance for economy measures.

Rail-Road Co-ordination Schemes.—The provision here is for investment in the shares of Mandi-Kulu Road Transport Corporation in the Union Territory of Himachal Pradesh and is based on the capital requirements of the Corporation.

Forests.—The provision under Forests represents the capital expenditure on the development of forests in Andaman Nicobar Islands and Himachal Pradesh and on buildings, equipment and Forestry schemes in various Union Territories. The decrease in the Revised is due to the delay in the establishment of a new Rosin and Turpentine Factory in Himachal Pradesh. Further decrease in the next budget is on account of the lesser provision for buildings and roads in Himachal Pradesh as a measure of economy.

Defence Capital Outlay.—Details appear in the Defence Budget.

Budget this year provided for a gross expenditure of Rs. 32.93 crores and recoveries on Capital Account of Rs. 30 lakhs. The gross provision is now placed at Rs. 53.04 crores in the Revised and Rs. 158.92 crores in the next Budget, the increases being due to the larger outlays necessitated by the Emergency and Defence needs. The recoveries on Capital account are estimated at Rs. 29 lakhs this year and Rs. 20 lakhs next year.

Railways.—Details appeared in the Railway Budget.

Posts and Telegraphs.—The details are:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In lakhs of Rupees)		
Postal	68·05	78·70	101·63
Telegraphs	477·95	465·13	667·11
Rtados	28·59	17·43	61·39
Telephones	755·41	777·74	1719·87
Stores and Manufacture Suspense (Net)	259·44	235·03	300.00
Fair Price Shops	..	0·47	..
Deduct—Amount met from Telephone Development Fund	—60·00	—60·00	—50·00
Deduct—Extraordinary Receipts on Capital Account	—21·43	—23·00	..
TOTAL	1508·01	1491·50	2800·00

Discharge of Permanent Debt.—The details are as follows:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
(*a*) Debt raised in India—			
(*i*) 2-3/4 per cent Loan, 1962	74,00	74,39	..
(*ii*) 3-1/4 per cent Bonds, 1962	106,00	107,27	..
(*iii*) 3% Loan 1963-65	..	..	11,175
(*iv*) 3-1/2% Bonds, 1963	..	..	58,00
(*v*) 2-1/2% Hyderabad Loan, 1953-63	..	..	5,25
(*vi*) 4% Hyderabad State Development Loan, 1963	..	..	3,00
(*vii*) Expired Loans	2,55	1,34	2,00
(*viii*) 15-Year Annuity Certificates	30	25	30
TOTAL	182,85	183,25	180,30

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
(*b*) Debt raised outside India.—			
Loans from U.S.A. :			
(*i*) Development Assistance Loans	13	9	24
(*ii*) D.L.F. Loans	7,91	7,49	9,18
(*iii*) P.L. 480	1	1	6
U.S. Export-Import Bank Loans:			
First Loan	..	..	3,57
Loans to Air India International :			
(*i*) First Loan	33	33	33
(*ii*) Second Loan	32	32	65
Loans from U.S.S.R.:			
(*i*) Bhilai Loan	5,36	9,80	..
(*ii*) First Credit for Third Plan	..	..	1,08
U.K. Credits :			
Lazard Bros	6,00	6,00	7,33
India Stocks and Railway Debenture Stocks	2	(*a*)	(*a*)
Wheat Loans from Canada	2,24	60	3,89
Loans from Federal Republic of Germany :			
(*i*) Rourkela Credit	12,38	13,01	7,40
(*ii*) D.M. 168m. Credit	95	47	47
(*iii*) D.M. 100m. Credit, 1961	..	..	3,57
Loans from Japan :			
Export-Import Bank Credit	15	26	1,71
Kuwait Loan	2,56	2,64	3,21
Loan from Bank of India, Tokyo	..	..	1
I.B.R.D. Loans :			
(*i*) Railways Project Loan I	1,31	1,31	1,36
(*ii*) Railways Project Loan II	2,89	2,90	3,06
(*iii*) Railways Project Loan III	75	75	1,57
(*iv*) Railways Project Loan IV	41	41	86
(*v*) Railways Project Loan V	..	..	59
(*vi*) D.V.C. Loan I	49	50	52
(*vii*) D.V.C. Loan II	18	18	19
(*viii*) D.V.C. Loan III	39	39	42
TOTAL	44,78	47,46	51,27
GRAND TOTAL	227,63	230,71	231,57

(a) The repayment is estimated to be Rs. 42,000 both during the current and the next year.

The increase in the Revised under Loans from U.S.S.R. (Bhilai Loan) is due to pre-payment of an instalment of Rs. 5.4 crores due on 1st January, 1964 to enable the Soviet authorities to finance additional purchases of Indian goods this year.

Discharge of Special Floating Debt.—This head records the discharge of the securities issued to the International Monetary Fund, the International Bank for Reconstruction and Development and the International Development Association in lieu of part payment of India's contribution to these Organizations. The credit for the securities in question was taken to "O—Public Debt" by debit to "Capital Outlay on Currency and Coinage".

The provision made in the current Budget for encashment of securities issued to the IBRD will not be utilised due to the decision of the World Bank not to go in for the repayment scheduled in the current year. Provision of Rs. 3·43 crores has, however, been made in the next Budget for enchasment of these securities.

Inter-State Settlement.—Provision has been made in the next Budget for the payment of the Centre's share of Rs. 90 lakhs in the repayment of the 4 per cent Mysore Loan 1953—63.

Advances to State Governments.—Advances are made to State Governments towards their expenditure on Plan Schemes, for tiding over temporary ways and means difficulties and for natural calamities, etc. The Central assistance towards Plan schemes consisting of loans as well as grants is released in accordance with the procedure introduced in 1958-59 to the extent of three-fourths of the budget provision in nine equal monthly instalments beginning from May. These advance payments are debited to this head but are written back, before the close of the year, by minus debit to the relevant heads on the issue of final sanction for payment of the grants or the loans, as the case may be.

Details by broad categories of loans and advances to State Governments for which provision has been made are given below:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Loans to State Governments for—			
Agricultural and allied schemes	62,48	61,96	67,40
Miscellaneous Development Schemes	131,94	172,72	132,96
Community Development, National Extension Service and Co-operation Schemes	16,02	17,92	15,90
Handloom and other Schemes	16,52	14,40	10,73
Irrigation Schemes	62,09	65,76	52,60
Small Savings Schemes	75,00	53,57	70,00
Water Supply and Drainage Schemes	11,15	11,15	12,50
Flood Control Schemes	9,43	8,83	13,27
Rehabilitation Purposes	3,27	2,88	3,60

	Budget, 1962-63	Revised, 1962-63	Budget 1963-64
	(In Lakhs of Rupees)		
Rural Electrification Schemes	15,00	15,00	18,00
Construction of Students' Hostels	1,41	1,26	62
Housing Schemes	10,51	10,51	5,77
Land Acquisition and Development Schemes	4,46	..	..
Police Housing Schemes	3,00	3,00	3,00
Development Schemes in Border areas	1,55	1,25	1,50
Natural Calamities	2,00	2,24	2,00
Ways and Means Advances	25,00	4,00	25,00
Special Loans	..	74,00	..
Loan Scholarships Scheme	..	..	1,33
Loans out of Centralised Market Borrowing	..	..	100,00
Other Schemes	2,32	2,70	4,90
	453,15	523,15	541,08
Deduct—Amount met from Special Development and Other Funds	—12,80	—22,94	—11,94
NET	440,35	500,21	529,14

These loans will be met partly out of the Special Development and other Funds as indicated below:—

Special Development Fund	—12,80	—22,60	—11,54
Fund for benefit of Cotton Growers	..	—34	—40
TOTAL	—12,80	—12,94	—11,94

The increase in the Revised is due to larger provision for loans for miscellaneous development purposes to States, for which assistance is not provided under specified heads of development, and special advances given to certain States to enable them to repay their overdraft with the Reserve Bank. The further increase in the next Budget is on account of the provision for loans of Rs. 100 crores out of the combined market borrowing of the Central and State Governments proposed for 1963-64 and increased provision for loans towards Developmental and other Schemes, partly counter-balanced by absence of provision for special loans.

Other Loans and Advances.—Details of the provision included in the budget for grant of loans and advances to foreign governments, international bodies, port trusts, municipal bodies, statutory corporations,

Government-owned companies and private parties, etc. are given below:—

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
		(In Lakhs of Rupees)	
Loans to —			
Foreign Governments and International Bodies :			
Foreign Governments	12,16	20,23	16,13
U.N.O.—Purchase of Bonds	95	95	..
Port Trusts	3,50	2,40	4,25
New Delhi Municipal Committee	80	..	44
Delhi Municipal Corporation for different Schemes	10,14	9,37	7,70
Industrial Finance Corporation	6,00	6,00	4,00
Indian Credit and Investment Corporation	6,00	6,00	..
Refinance Corporation for Industry Ltd.	7,50	7,50	5,00
Agricultural Refinance Corporation	..	..	5,00
National Co-operative Development Corporation	..	..	8,60
Film Finance Corporation	..	..	10
Handlloom and other Schemes	32	28	20
Village Industries	3,00	2,50	2,50
Khadi Industries	1,62	1,50	2,00
Ambar Charkha	1,00	50	70
National Small Industries Corporation	28	1,00	90
National Industrial Development Corporation	3,00	3,00	3,25
Hindustan Cables, Ltd.	50	50	20
Oil India, Ltd.	..	3	4
Fertilizers Corporation of India	6,50	4,39	7,31
Bharat Electronics, Ltd.	75	75	1,20
Hindustan Aircraft, Ltd.	1,00	1,00	2,50
Heavy Electricals, Ltd.	8,00	10,00	12,00
National Coal Development Corporation	7,50	6,60	10,00
Mysore Iron and Steel Corporation	2,00	1,58	2,52
Praga Tools, Ltd.	36	..	66
Hindustan Steel, Ltd.	1,00	1,00	1,00
Indian Refineries, Ltd.	8,70	8,70	16,00
Singareni Collieries	25	2,00	2,00
Rehabilitation Industries Corporation	25	35	30
National Mineral Development Corporation	3,00	2,50	4,70
Heavy Engineering Corporation	..	5,00	5,00
Indian Oil Company	3,00	3,00	2,25
Neyveli Lignite Corporation	7,47	14,26	15,00
Coal Board for Central Ropeway	3,00	..	4,00
Hindustan Machine Tools Ltd.	50	50	2,00
Indian Telephone Industries	60	50	40
Joint Steamer Companies, Calcutta	58	45	72
Hindustan Teleprinters Ltd.	36	28	38
Hindustan Salt Co.	15	..	..
Construction of Students, Hostels	1,51	1,23	70

	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
	(In Lakhs of Rupees)		
Displaced Persons	95	58	57
Banco National Bank, Goa	3,00	3,00	1,00
National Building Construction Corporation, Ltd.	8	32	28
National Project Construction Corporation	..	75	..
Atul Produets	15	15	..
Shipping Development Fund Committee and Dry Dock Project for Hindustan Shipyard, Ltd.	4,00	4,00	4,00
Housing Schemes	1,41	1,27	1,28
Cultivators	53	54	39
Other Loans and Advances including Loans to Government Servants	13,08	10,92	15,37
	1,36,45	1,47,38	1,74,54
Deduct—Amount met from Special Development Fund and Other Funds	—15,41	—15,51	—6,70
	1,21,04	1,31,87	1,67,84

These loans will be met partly out of the Special Development and other Funds as indicated below:

Fund from assistance under the Indo-U.S. Technical Cooperation Agreement	—1,84	—1,87	—1,55
Fund from sale proceeds of Commodities received under P.L. 480	—13,50	—13,50	—5,00
Coal Mines Labour Welfare Fund	—7	—14	—15
TOTAL	—15,41	—15,51	—6,70

The increase in the Revised is mainly due to larger provision for short term advances to foreign governments under Trade Agreements and for loans to Heavy Engineering Corporation Ltd., Neyveli Lignite Corporation and Heavy Electricals Ltd., for meeting their developmental requirements. The further increase next year is mainly on account of the provision for loan to National Co-operative Development and Warehousing Board, which is being converted into a Corporation (Rs. 8:60 crores), on account of the requirements of States for Co-operative Schemes. The rest of the increase next year is accounted for by larger loans to Indian Refineries Ltd., National Coal Development Corporation, Coal Board and Heavy Electricals Ltd.

DEBT POSITION OF THE GOVERNMENT OF INDIA

The oustanding public debt of the Government of India is expected to amount to Rs. 5901 crores at the end of the current year and Rs. 6713 crores at the end of 1963-64. Details are given in Statement VI at the end of this section.

An analysis of the debt compared with the debt at the end of 1938-39 is given below:—

Particulars	As on 31st March, 1939	As on 31st March, 1963	As on 31st March, 1963
		(In Crores of Rupees)	
A. Debt raised in India:			
Current Loans	437·87	2851·04	3068·28
Treasury Bills	46·30	1364·98	1545·98
Special Floating Loans	..	281·08	281·10
Expired Loans	·65	24·46	27·43
TOTAL	484·82	4521·56	4922·78
B. Debt raised outside India:			
Defence Certificates	..	0·02	0·04
Loans from U.S.A.	..	571·83	726·69
U.S. Export-Import Bank Loans	..	86·90	95·46
Loans from U.S.S.R.	..	104·95	164·30
U. K. Credits—			
U. K. Government Loans	..	161·14	192·81
Lazard Bros	..	7·33	..
India Stocks and Railway Debenture Stocks	396·50	0·08	0·08
Expired Loans	·01	0·03	0·03
War Contribution	20·62	20·62	20·62
Capital Portion of Railway Annuities	47·82	..	..
Loans from Canada	..	11·22	8·83
Loans from Federal Republic of Germany	..	155·38	149·94
Loans from Japan	..	24·26	33·07
Loans from Switzerland	..	0·50	4·50
Loans from Czechoslovakia	..	0·50	2·70
Loans from Yugoslavia	..	0·25	3·25
Loans from Poland	..	0·53	2·18
Loans from Austria	..	..	1·00
Loans from Kuwait Government	..	28·92	25·71
Loans from I.B.R.D.	..	184·31	188·70
Loans from I.D.A.	..	15·20	50·23
Loans from Bank of India, Tokyo	..	0·06	0·05
New Credits	..	5·00	120·00
TOTAL	464·95	1379·03	1790·19
TOTAL—PUBLIC DEBT	949·77	5900·59	6712·97

Excluding the war contribution, the liability in respect of which remains suspended, the total outstanding debt will be Rs. 5880 crores at the end of the current year and Rs. 6692 crores at the end of 1963-64. At the end of the Budget year, the outstanding debt would, as compared with the figures at the end of 1938-39, have risen by Rs. 5763 crores.

In addition the Government are liable to repay the investments of the deposits of the P.L. 480 counterpart funds, the balances in the various Provident Funds, the Post Office Savings Bank, the Post Office Cash, National Savings, National Plan, National Plan Savings, National Defence, Treasury Savings Deposit and Defence Deposit Certificates, deposits under the Cumulative Time Deposits Scheme, the Depreciation and Reserve Funds of the Railways, Posts and Telegraph, etc., and certain other deposits, mainly relating to deposits of Income-tax, Super-tax, etc. These balances are estimated to amount to Rs. 2066 crores at the end of the current year and Rs. 2374 crores at the end of 1963-64. Taking the regular debt and these liabilities together the debt position of the Government of India will stand as follows:—

	As on 31st March, 1963	As on 31st March, 1964
	(In Crores of Rupees)	
Regular Loans	5900·59	6712·97
Other Liabilities	2066·42	2373·84
British War Loan	—20·62	—20·62
TOTAL	7946·39	9066·19

This outstanding debt may be analysed with reference to the purpose on which the money has been utilised or the assets by which it is covered. An analysis is given below:—

	As on 31st March, 1963	As on 31st March, 1964
	(In Crores of Rupees)	
Railways	1885·98	2104·48
Posts and Telegraphs and other Commercial Departments (including Damodar Valley Corporation)	260·60	303·21
Investment in Commercial concerns (Industrial Development)	901·26	1125·39
Loans and Advances	3340·53	3787·02
Amounts recoverable from the U.K. and the States on account of purchase of annuities for sterling pensions	18·17	17·54
Subscription to the International Monetary Fund	282·00	282·00
Purchase of shares of the I.B.R.D.	37·00	37·00
Subscription to the International Development Association	11·82	15·52
Purchase of U.N. Bonds	0·95	0·95
Debt due from Pakistan	300·00	300·00
Cash and other investments	101·93	115·35
TOTAL	7140·24	8090·46

Allowing for these, the uncovered debt will amount to Rs. 1273 crores at the end of the Budget year against the pre-war figure of Rs. 188 crores. The whole of this cannot, however, be called unproductive since the large grants to State Governments for development in recent years which increase the productive capacity of the country as a whole are not entirely unremunerative. Similarly, the large capital outlay on Central property, the value of which is either not shown at all in the Government's accounts or is shown as non-commercial (such as the Delhi Capital Outlay and Defence Capital Outlay) is not without value. Besides, a considerable portion of the capital outlay has been incurred on schemes of state trading such as foodgrains, fertilisers, iron and steel, etc. of which there are reserve stocks, particularly of foodgrains.

The statement below analyses the interest bearing obligations of the Government of India and the interest yielding assets held by them.

	As on 31st March, 1939	As on 31st March, 1963	As on 31st March, 1964
		(In Crores of Rupees)	
Interest-Bearing Obligations			
In India:			
Public Debt:			
Loans	437·87	2851·04	3068·27
Treasury Bills	46·30	1364·98	1545·98
TOTAL—PUBLIC DEBT	484·17	4216·02	4614·25
Unfunded Debt:			
Investment of U. S. Government counterpart Deposit Funds	..	354·54	444·54
Service Funds	1·03	0·29	0·28
10-Year Treasury Savings Deposit Certificates	..	81·86	77·28
10-Year Defence Deposit Certificates	..	12·00	37·00
Post Office Savings Bank Deposits	81·88	489·05	522·05
Compulsory Deposits	..	..	25·00
Cumulative Time Deposits	..	11·87	20·87
12-Year National Plan Savings Certificates	..	367·45	345·65
12-Year National Defence Certificates	..	45·70	130·70
Post Office Cash and Defence Savings Certificates	59·57	0·68	0·41
National Savings Certificates	..	116·79	102·15
10-Year National Plan Certificates	..	16·84	15·93
State Provident Funds	72·40	371·70	417·27
Other Items	10·25	21·12	22·48
TOTAL—UNFUNDED DEBT	225·13	1889·89	2161·61
Deposits:			
Depreciation, Development and Reserve Funds	27·34	141·33	177·43
Other Deposits	..	35·20	34·80
TOTAL—DEPOSITS	27·34	176·53	212·23
TOTAL—OBLIGATIONS IN INDIA	736·64	6282·44	6988·09

	As on 31st March, 1939	As on 31st March, 1963	As on 31st March, 1964
		(In Crores of Rupees)	
Outside India:			
Public Debt:			
Defence Certificates	..	0·02	0·04
Loans from U.S.A.	..	571·83	726·69
U.S. Export-Import Bank Loans	..	86·90	95·46
Loans from U.S.S.R.	..	104·95	164·30
U.K. Credits—			
(*a*) U.K. Government Loans	..	161·14	192·81
(*b*) Lazard Bros.	..	7·33	..
(*c*) India Stocks and Railway Debenture Stocks	396·50	0·08	0·08
(*d*) Capital Portion of Railway Annuities	47·82	..	..
Loans from Canada	..	11·22	8·83
Loans from Federal Republic of Germany	..	155·38	149·94
Loans from Japan	..	24·26	33·07
Loans from Switzerland	..	0·50	4·50
Loans from Czechoslovakia	..	0·50	2·70
Loans from Yugoslavia	..	0·25	3·25
Loans from Poland	..	0·53	2·18
Loans from Austria	..	..	1·00
Loans from Kuwait Government	..	28·92	25·71
Loans from I.B.R.D.	..	184·31	188·70
Loans from I.D.A.	..	15·20	50·23
Loans from Bank of India, Tokyo	..	0·06	0·05
New Credits	..	5·00	120·00
TOTAL—DEBT RAISED OUTSIDE INDIA	444·32	1358·38	1769·54
TOTAL—INTEREST BEARING OBLIGATIONS	1180·96	7640·82	8757·63
Interest-Yielding Assets			
Capital advanced to Railways	725·24	1885·98	2104·48
Capital advanced to other Commercial Departments (including Damodar Valley Corporation)	27·42	260·60	303·21
Investment in Commercial Concerns (Industrial Development)	..	690·68	865·82
Capital advanced to States	123·28	2548·40	2882·67
Other interest bearing loans	20·71	792·13	906·35
Amount recoverable from the U.K. and the States on account of purchase of annuities for Sterling Pensions	..	18·17	17·54
Debt due from Pakistan	..	300·00	300·00
TOTAL—INTEREST-YIELDING ASSETS	896·65	6495·96	7380·07
Cash and Securities held on Treasury Account	30·30	101·93	115·35
Balance of total interest-bearing obligations not covered by above assets	254·01	1092·93	1262·21

NOTE 1.—The outstandings at the end of each year are shown in the statement. The accounts for the year 1947-48 (pre-partition) and 1962-63 have not yet been closed finally and the figures have, therefore, been worked out on the best information available.

NOTE 2.—Sterling obligations have been converted into Rupees at 1 *sh.* 6 *d.* to the Rupee.

NOTE 3.—Final debt settlement with Pakistan has yet to be made. The figures entered for debt due from Pakistan is a rough indication of the amount likely to be due to India.

STATEMENT VI

OUTSTANDING PUBLIC DEBT OF THE GOVERNMENT OF INDIA

Particulars	Date of Issue	Earliest date of maturity	Estimated amount on 31st March, 1963	Estimated amount on 31st March, 1964
(1)	(2)	(3)	(4)	(5)
			(In lakhs of Rupees)	
A.—DEBT RAISED IN INDIA :				
I.—Current Loans :				
Terminable Loans				
3½% Bonds, 1963	12th May, 1958	12th May, 1963	58,06	..
3% Loan, 1963-65	1st June, 1938	1st June 1963	116,18	..
3½% National Plan Loan, 1964	19th April, 1954	19th April, 1964	158,18	158,18
3% Loan, 1964	19th June, 1950	15th June, 1964	30,33	30,33
3½% National Plan Bonds, 1965 (IInd Series)	1st July, 1955	1st July, 1965	153,68	153,68
3½% Bonds, 1966	18th July, 1960	18th July, 1966	82,65	82,65
3% Funding Loan, 1966-68	22nd October, 1953	1st October, 1966	110,12	110,12
3½% National Plan Bonds, 1967 (III Series)	16th July, 1956	16th July, 1967	197,41	197,41
3¾% National Plan Bonds, 1967 (4th Series)	5th August, 1957	1st August, 1967	56,99	56,99
3¾% National Plan Bonds, 1968 (5th Series)	12th May, 1958	12th May, 1968	156,59	156,59
3½% Loan, 1968	26th August, 1958	26th August, 1968	70,00	70,00
3½% Bonds, 1969	1st July, 1959	1st July, 1969	190,85	190,85
3% First Development Loan, 1970-75	16th April, 1945	15th October, 1970	115,06	115,06
4% Loan, 1972	5th August, 1957	1st August, 1972	154,76	154,76
4¼% National Defence Bonds, 1972	10th November, 1962	10th November, 1972	23,00	23,00
4% Loan, 1973	12th May, 1958	12th May, 1973	394,51	394,51
3¾% Loan, 1974	16th July, 1956	16th July, 1974	86,64	86,64
2¾% Loan, 1976	16th September, 1946	16th September, 1976	14,78	14,78
6½ Gold Bonds, 1977	12th November, 1962	12th November, 1977	7,00	8,00
4% Loan, 1979	1st July, 1959	1st July, 1979	81,06	81,06
4% Loan, 1980	18th July, 1960	18th July, 1980	98,05	98,05
4% Loan, 1981	24th July, 1961	24th July, 1981	65,97	65,97
4½% Loan, 1985	12th July, 1962	12th July, 1985	114,03	114,03
Interest Free Prize Bonds, 1965	1st April, 1960	1st April, 1965	19,53	19,53
Premium Prize Bonds, 1963	1st January, 1963		3,92	9,92
New Loans	To be floated in 1963-64		..	393,00

(1)	(2)	(3)	(4)	(5)
			(In lakhs of Rupees)	
Bhopal Loans—				
3% Loan, 1966-76	12th Nov. 1946	Repayable at par on 15-11-76 but the Government have the option of repaying at any time after 15th November, 1966, with 6 months' notice.	1,22	1,22
Hyderabad Loans—				
4% Hyderabad State Dev. Loan, 1963	15th October, 1953	15th October, 1963	3,35	..
2½% Loan, 1953-63	16th October, 1943	16th October, 1963 or any day after 16th October, 1953 on giving three calendar months' notice.	5,38	..
1¼% Loan, 1964	30th October, 1956	30th October, 1964	3,86	3,86
4% Hyderabad State Dev. Loan, 1967	1st September, 1955	1st September, 1967	2,12	2,12
4% Hyderabad State Dev. Loan, 1968	3rd September, 1956	3rd September, 1968	2,18	2,18
2¾% Loan, 1974	1st April, 1954	1st April, 1974	4,40	4,40
2¾% Loan, 1975	1st January, 1950	1st January, 1975	6,86	6,86
Old Rly. Shares	..	..	29	29
Non-Terminable Loans—				
3% 1896-97	22nd July, 1896	At the option of the Govt. of India after 3 months' notice.	8,93	8,93
3% Conversion Loan, 1946.	16th September, 1946	At any time on or after 16th September, 1986 subject to three months' notice.	2,48,91	2,48,91
Annuity Certificates—				
15-year Annuity Certificates			4,19	4,39
	TOTAL—CURRENT LOANS		28,51,04	30,68,27
II.—Treasury Bills—			13,64,98	15,45,98
III.—Special Floating Loans—				
Issued to the International Monetary Fund			246,89	246,89
Issued to the International Bank for Reconstruction and Development			23,84	20,41
Issued to the International Development Association			10,35	13,80
	TOTAL—SPECIAL FLOATING LOANS		281,08	281,10

(1)	(2)	(3)	(4)
		(In Lakhs of Rupees)	
IV.—Expired Loans—			
Sundry loans . .		24,46	27,43
	TOTAL—DEBT RAISED IN INDIA .	45,21,56	49,22,78
B.—DEBT RAISED OUTSIDE INDIA :			
I.—Defence Certificates		2	4
II.—Loans from U.S.A. :			
American wheat Loan		88,68	88,68
Development Assistance Loans .		61,68	61,44
Development Loan Fund (now A.I.D.) Loans .		202,65	295,47
Asian Economic Development Fund Loan		6,24	8,58
P.L. 480 . .		212,58	272,52
	TOTAL—U.S.A. LOAN	571,83	726,69
III.—U.S. Export-Import Bank Loans :			
First Loan . .		71,32	67,86
Second Loan .		9,57	17,57
Third Loan . .		..	5,00
Loans to A.I.I. :			
First Loan . .		1,80	1,47
Second Loan . .		4,21	3,56
	TOTAL—U.S. EXIM BANK LOANS	86,90	95,46
IV.—Loans from U.S.S.R. :			
Bhilai Loan . .		31,81	31,81
Industrial Enterprises.		33,35	43,10
Drugs Credit . .		1,37	4,37
Barauni Credit .		10,23	11,91
First Credit for Third Plan . .		26,94	67,36
Second Credit for Third Plan . .		1,25	5,75
	TOTAL—U.S.S.R. LOANS . .	104,95	164,30

(1)	(2)	(3)	(4)	(5)
			(In Lakhs	of Rupees)
V.—U. K. Credits :				
U. K. Government Loans :				
Durgapur . .			20,00	20,00
Second E. C. G. D. Credit . .			38,00	38,00
U. K. India (Oil-Pipe-Line) Credit . .			3,99	4,00
U.K.-India (General) Credit, 1959 .			25,33	25,33
First U. K.-India (General) Credit, 1960			13,33	13,33
Second U. K.-India (General) Credit, 1960			6,67	6,67
First U. K.-India (General) Credit, 1961			13,33	13,33
U.K.-India (Five Year Plan) Credit, 1961 .			18,48	30,48
Second U.K.-India (General) Credit, 1961			6,67	6,67
First U. K.-India (General) Credit, 1962 . . .			6,67	13,33
Second U. K. India (General) Credit, 1962 . .			6,67	6,67
U. K.-India (Durgapur Extension Credit), 1962 . . .			1,00	9,00
U. K.—India (Five year Plan Credit), 1962 . . .			1,00	6,00
Lazard Bros. . .			7,33	..
India Stocks and Rly. Debenture Stocks .			8	8
Expired Loans .			3	3
War Contribution .			20,62	20,62
	TOTAL—U.K. CREDITS . .		189,20	213,54
VI.—Loans from Canada :				
Wheat loans . .			11,22	7,33
Credit for Third Plan.			..	1,50
	TOTAL—LOANS FROM CANADA .		11,22	8,83
VII.—Loans from Federal Republic of Germany :				
Rourkela Credit .			14,74	7,34
D.M. 168 m. Credit .			18,58	18,11
First D.M. 125·1 m. Credit . .			14,18	14,18
Second DM 125·1 m. Credit . .			14,18	14,18
Rourkela Prolongation Credit (First) .			11,16	11,16
Rourkela Prolongation Credit (Second) .			27,38	27,38
D.M. 100m. Credit, 1961 . .			11,90	8,33
D. M. 170m. Credit, 1961 . . .			20,24	20,24
Rourkela Prolongation Credit (Third) .			10,12	10,12
D.M. 100m. Credit, 1962 . .			11,90	11,90
D.M. 264m. Credit, 1962 . . .			1,00	7,00
	TOTAL—LOANS FROM FEDERAL REPUBLIC OF GERMANY .		155,38	149,94

(1)	(2)	(3)	(4)	(5)
			(In Lakhs of Rupees)	
VIII.—Loans from Japan :				
Export-Import Bank Credit . .			21,29	20,10
28·8 Billion Yen Credit for Third Plan .			2,97	12,97
	TOTAL—JAPAN LOANS . .		24,26	33,07
IX.—Loans from Switzerland :				
Credit for Third Plan			50	4,50
X.—Loans from Czechoslovakia :				
Credit for Third Plan			50	2,7 0
IX.—Loans from Yugoslavia :				
Credit for Third Plan.			25	3,25
XII.—Loans from Poland :				
First Credit for Third Plan			53	2,08
Second Credit for Third Plan . .			..	10
	TOTAL—LOANS FROM POLAND .		53	2,18
XIII.—Loans from Austria :				
Credit for Third Plan.			..	1,00
XIV.—Loans from Kuwait Government :				
Retirement of Indian Currency . .			28,92	25,71
XV.—Loans from the International Bank for Reconstruction and Development :				
Railways Project Loan I			2,06	70
Railways Project Loan II . . .			37,22	34,16
Railways Project Loan III . . .			39,73	38,16
Railways Project Loan IV . . .			23,40	22,54
Railways Project Loan V . .			33,33	32,74
Railways Project Loan VI . . .			23,81	23,81
Coal Industry . .			80	11,80
D.V.C. Loan I .			4,44	3,92
D.V.C. Loan II .			3,90	3,71
D.V.C. Loan III .			8,73	8,72
Koyna Project Loan .			6,89	8,44
	TOTAL—I.B.R.D. LOANS . .		184,31	188,70

(1)	(2)	(3)	(4)	(5)
			(In Lakhs of Rupees)	
VI.—Loans from the International Development Association:				
Roads Project . .			7,82	19,82
U.P. Tube Well Project			1,20	2,80
Shetrunji Irrigation .			80	1,80
Salandi Irrigation .			77	1,57
Punjab Drainage .			1,25	3,25
D.V.C. Loan IV .			4	1,29
One Irrigation . .			70	3,70
Purna Irrigation .			75	1,75
Koyna Project (Second stage) .			32	2,32
Bombay Port .			75	2,13
P.T.T. . . .			80	9,80
	TOTAL—I.D.A. LOANS . .		15,20	50,23
XVII.—Loans from Bank of India, Tokyo .			6	5
XVIII.—New Credits .			5,00	120,00
	TOTAL—DEBT RAISED OUESIDE INDIA		13,79,03	17,90,19
	TOTAL—PUBLIC DEBT .		59,00,59	67,12,97

ANNEXURES

ANNEXURE I

DISTRIBUTION OF REVENUE AND EXPENDITURE

(In lakhs of Rupees)

Year	Tax Revenue				Contributions from Railways & P. & T.	Currency and Mint (Receipts less Expenditure)	Interest Receipts	Extraordinary Receipts	Other Revenue	Total net Revenue	Interest on debt	Reduction or avoidance of debt	Extraordinary items	Defence Expenditure (net)	Other Expenditure	Net Capital Outlay of Commercial Department met from Revenue	Total Expenditure	Surplus + Deficit —
	Gross Tax Revenue	Less—Cost of Collection	Less—State's share and transfer to C. R. F.	Net Tax Revenue retained														
1952-53 .. .	4,44,03	11,02	79,01	3,54,00	8,98	7,22	42,07	3,91	22,13	4,38,31	70,66	5,00	10,15	1,79,52	1,33,90	15	3,99,38	+38,93
1953-54 .. .	4,20,59	10,69	77,44	3,32,46	9,36	13,14	44,94	2,51	22,21	4,24,62	77,85	5,00	11,78	1,86,30	1,35,12	7	4,16,12	+8,50
1954-55 .. .	4,55,78	11,33	76,03	3,68,42	9,28	17,42	51,80	46	22,69	4,70,07	82,66	5,00	15,25	1,86,66	1,46,95	4	4,36,56	+33,51
1955-56 .. .	4,85,07	12,50	78,10	3,94,47	9,25	19,75	55,73	11	41,01	5,20,32	91,03	5,00	10,40	1,72,28	2,01,12	4	4,79,87	+40,45
1956-57 .. .	5,73,13	14,45	83,38	4,75,30	12,19	19,44	71,00	1,08	35,10	6,14,11	99,41	5,00	10,40	1,92,15	2,17,75	..	5,24,71	+89,40
1957-58 .. .	6,95,77	16,55	124,21	5,55,01	10,00	26,04	86,85	2	61,45	7,39,37	1,17,75	5,00	11,51	2,56,72	3,06,34	..	6,97,32	+42,05
1958-59 .. .	7,15,12	19,44	165,36	5,30,32	12,68	23,43	99,80	2	79,57	7,45,82	1,35,12	5,00	14,06	2,50,93	3,45,96	..	7,51,07	—5,25
1959-60 .. .	8,12,28	20,83	173,45	6,18,00	10,76	43,00	1,13,68	22	82,24	8,67,90	1,70,07	5,00	20,74	2,30,86	3,98,68	..	8,25,35	(+)42,55
1960-61 .. .	9,08,92	22,43	182,88	7,03,61	5,23	47,95	1,31,20	3,72	85,40	9,77,11	1,88,48	5,00	27,43	2,47,55	4,57,40	..	9,25,86	(+)51,25
1961-62 .. .	10,53,75	21,16	182,38	8,50,21	21,43	42,75	1,43,81	13,96	78,66	11,50,82	2,09,44	5,00	13,79	2,89,54	5,08,20	..	10,25,97	(+)1,24,85
1962-63 .. . (Budget)	11,04,47	22,58	2,20,09	8,61,80	21,82	49,30	1,67,51	40,00	79,22	12,19,65	2,42,90	5,00	41,40	3,43,36	5,87,71	..	12,20,37	(—)72
1962-63 .. . (Revised)	11,77,24	23,07	2,28,16	9,26,01	21,46	47,60	1,76,49	63,00	90,65	13,25,21	2,41,03	5,00	64,61	4,51,81	5,84,82	..	13,47,27	(—)22,06
1963-64 .. . (Budget)	14,71,86	23,83	2,42,83	12,05,20	25,26	56,44	2,17,05	81,00	77,99	16,62,94	2,75,24	5,00	86,19	7,08,51	6,04,22	..	16,79,16	(—)16,22

ANNEXURE II

ANALYSIS OF TAX REVENUE INCLUDED IN ANNEXURE I

Year	Net revenue from										Transfers to Central Road Fund	States share of Taxes and Duties					Revenue retained by Union Govt.
	Customs	Union Excise Duties	Taxes on Income and Corporation Tax	Estate Duty	Taxes on Wealth	Expenditure Tax	Taxes on Railway Passenger Fares	Gift Tax	Other Tax Revenue	Total		Union Excise Duties including Addl. Excise Duties	Income Tax	Estate Duty	Taxes on Railway Passenger Fares	Total	
1952-53 . .	1,71,57	78,56	1,82,19	..	..		..	..	69	4,33,01	5,20	16,83	56,98	..	..	73,81	3,54,00
1953-54 . .	1,55,91	91,67	1,61,15	..	..	..	..	..	1,17	4,09,90	4,60	15,55	57,29	..	..	72,84	3,32,46
1954-55 . .	1,82,20	1,04,54	1,56,14	81	..	..	..	..	76	4,44,45	4,40	15,11	55,95	57	..	71,63	3,68,42
1955-56 . .	1,62,98	1,42,21	1,64,60	1,81	..	..	..	..	97	4,72,57	4,50	16,57	55,16	1,87	..	73,60	3,94,47
1956-57 . .	1,70,42	1,85,33	1,98,66	2,11	..	..	..	..	2,16	5,58,68	4,00	18,22	58,75	2,41	..	79,38	4,75,30
1957-58 . .	1,76,92	2,68,01	2,15,19	2,30	7,04	..	3,68	..	6,08	6,79,22	3,75	40,22	73,43	2,40	4,41	1,20,46	5,55,01
1958-59 . .	1,34,86	3,07,30	2,21,32	2,70	9,66	64	12,18	98	6,04	6,95,68	3,30	72,99	75,80	2,38	10,89	1,62,06	5,30,32
1959-60 . .	1,52,54	3,54,47	2,50,08	2,91	12,11	79	12,72	80	5,03	7,91,45	3,60	74,70	79,32	2,76	13,07	1,69,85	6,18,00
1960-61 . .	1,66,42	4,09,43	2,72,17	3,09	8,15	91	15,78	89	9,65	8,86,49	4,10	75,10	86,98	2,91	13,79	1,78,78	7,03,61
1961-62 . .	2,08,68	4,81,86	3,15,80	4,21	8,26	84	..	1,01	11,93	10,32,59	4,00	80,65	93,85	3,88	..	1,78,38	8,50,21
1962-63 (Budget)	2,03,81	5,17,11	3,35,96	3,91	8,75	7	..	82	11,46	10,81,89	4,10	1,17,41	94,70	3,88	..	2,15,99	8,61,80
1962-63 (Revised)	2,27,64	5,45,40	3,53,88	3,91	8,71	19	..	92	13,52	11,54,17	4,10	1,24,91	95,27	3,88	..	2,24,06	9,26,01
1963-64 (Budget)	2,97,02	6,87,81	4,33,52	3,91	9,10	10	..	92	15,65	14,48,03	4,10	1,36,90	97,95	3,88	..	2,38,73	12,05,20

ANNEXURE III

GROSS TAX REVENUE COLLECTED AND COST OF COLLECTION

Year	Customs		Union Excise Duties		Taxes on income including Corporation Tax		Estate Duty		Taxes on Wealth		Expenditure Tax		Taxes on Railway Passenger Fares		Gift Tax		Other Tax Revenue		Total Tax Revenue		Net Tax Revenue
	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	Gross collections	Cost of collections	
1952-53 .	1,73,75	2,18	83,03	4,47	1,85,23	3,04	..	..	..	..	..	..	..	..	..	..	2,02	1,33	4,44,03	11,02	4,33,01
1953-54 .	1,58,71	2,80	94,98	3,31	1,64,39	3,24	..	..	..	..	..	..	..	..	..	..	2,51	1,34	4,20,59	10,69	4,09,90
1954-55 .	1,84,87	2,67	1,08,22	3,68	1,59,59	3,45	81	..	..	..	..	..	..	..	..	..	2,29	1,53	4,55,78	11,33	4,44,45
1955-56 .	1,66,70	3,72	1,45,25	3,04	1,68,41	3,81	1,81	..	..	..	..	..	..	..	..	..	2,90	1,93	4,85,07	12,50	4,72,57
1956-57 .	1,73,23	2,81	1,90,43	5,10	2,02,92	4,26	2,11	..	..	..	..	..	..	..	..	..	4,44	2,28	5,73,13	14,45	5,58,68
1957-58 .	1,79,99	3,07	2,73,62	5,61	2,19,84	4,65	2,30	..	7,04	..	..	..	3,68	..	..	..	9,30	3,22	6,95,77	16,55	6,79,22
1958-59 .	1,38,29	3,43	3,12,94	5,64	2,26,34	5,02	2,70	..	9,66	..	64	..	12,24	6	98	..	11,33	5,29	7,15,12	19,44	6,95,68
1959-60 .	1,56,11	3,57	3,60,65	6,18	2,55,41	5,33	2,91	..	12,11	..	79	..	12,81	9	80	..	10,69	5,66	8,12,28	20,83	7,91,45
1960-61 .	1,70,03	3,61	4,16,35	6,92	2,78,04	5,87	3,09	..	8,15	..	91	..	15,89	11	89	..	15,57	5,92	9,08,92	22,43	8,86,49
1961-62 .	2,12,25	3,57	4,89,31	7,45	3,21,85	6,05	4,21	..	8,26	..	84	..	..	..	1,01	..	16,02	4,09	10,53,75	21,16	10,32,59
1962-63 (Budget)	2,07,82	4,01	5,25,07	7,96	3,41,80	5,84	4,00	9	9,00	25	10	3	..	..	85	3	15,83	4,37	11,04,47	22,58	10,81,89
1962-63 (Revised)	2,31,65	4,01	5,53,69	8,29	3,60,00	6,12	4,00	9	9,00	29	20	1	..	..	95	3	17,75	4,23	11,77,24	23,07	11,54,17
1963-64 (Budget)	3,01,20	4,18	6,96,34	8,53	4,40,00	6,48	4,00	9	9,40	30	10	..	..	..	95	3	19,87	4,22	14,71,86	23,83	14,48,03

ANNEXURE IV

ANALYSIS OF INTEREST PAYMENTS INCLUDED IN ANNEXURE I

Year	Interest on ordinary Debt					Interest on Unfunded Debt					Interest on Reserve Funds etc.	Interest on other obligations	Grand Total
	Debt raised in India				Debt raised outside India	Post Office certificates	Post Office Savings Bank	State Provident Funds	Other items	Total unfunded Debt			
	Permanent Debt	Floating Debt	Other items	Total Debt raised in India									
1952-53	39,58	2,04	1,15	42,77	2,40	5,18	3,94	4,03	2,73	15,88	6,20	3,41	70,66
1953-54	40,14	7,59	94	48,67	3,46	6,05	4,21	4,53	3,09	17,88	5,76	2,08	77,85
1954-55	41,94	9,63	1,18	52,75	3,49	6,71	4,52	4,91	3,52	19,66	5,43	1,33	82,66
1955-56	45,40	12,31	1,42	59,13	3,33	7,58	5,10	5,68	3,91	22,27	5,45	85	91,03
1956-57	47,40	16,46	1,40	65,26	3,31	8,63	5,65	6,43	4,03	24,74	4,37	1,73	99,41
1957-58	52,23	25,60	1,93	79,76	3,42	9,35	7,33	6,73	4,76	28,17	5,40	1,00	1,17,75
1958-59	60,98	29,57	2,20	92,75	6,31	9,41	8,02	7,75	4,94	30,12	4,73	1,21	1,35,12
1959-60	74,98	33,05	2,85	1,10,88	18,42	11,95	8,42	8,72	5,49	34,58	4,77	1,42	1,70,07
1960-61	84,76	31,18	2,82	1,18,76	23,87	14,66	8,95	9,68	6,86	40,15	4,03	1,67	1,88,41
1961-62	89,48	27,73	2,74	1,19,95	33,75	16,60	9,02	11,14	12,68	49,44	4,82	1,48	2,09,44
1962-63 (Budget)	96,32	29,40	3,29	1,29,01	49,05	19,28	11,38	12,18	15,56	58,40	4,92	1,52	2,42,90
1962-63 (Revised)	95,34	30,00	3,64	1,28,98	45,40	19,39	11,71	13,31	14,43	58,84	6,17	1,64	2,41,03
1963-64 (Budget)	1,06,45	33,00	3,19	1,42,64	59,40	22,12	13,00	14,53	15,31	64,96	6,51	1,73	2,75,24

ANNEXURE V

ANALYSIS OF "OTHER EXPENDITURE" INCLUDED IN ANNEXURE I

Year	Administrative Services	Social and Developmental Services	Multi-purpose River Schemes, etc.	Public works	Transport and Communication	Miscellaneous							Contributions and Miscellaneous Adjustments (excluding States share of Excise Duties)		Grand Total
						Famine Relief	Pensions and other Retirement benefits	Stationery and Printing	Opium	Forest	Miscellaneous	Total	Grants in aid to States	Other Miscellaneous Adjustments	
1952-53 . .	23,30	23,85	26	7,67	4,61	13	7,84	2,64	1,63	92	38,25	51,41	22,73	7	133,90
1953-54 . .	26,74	33,18	19	9,09	4,30	..	8,60	2,81	2,58	1,01	20,71	35,71	25,87	4	135,12
1954-55 . .	30,62	40,08	26	8,82	4,47	..	8,87	2,31	1,84	1,21	18,68	32,91	29,75	4	146,95
1955-56 . .	33,57	55,73	61	7,05	4,84	..	8,97	2,43	1,55	1,68	48,82	63,45	35,80	7	201,12
1956-57 . .	38,06	79,10	56	10,02	5,44	7	8,97	1,27	1,52	2,14	42,34	56,31	28,21	5	217,75
1957-58 . .	42,00	120,95	39	13,13	5,70	2	9,24	2,98	1,98	3,02	61,03	78,27	45,85	5	306,34
1958-59 . .	48,10	139,71	64	12,57	6,45	4	9,52	3,54	2,72	3,37	73,05	92,24	46,16	9	345,96
1959-60 . .	52,04	161,96	81	11,27	12,71	4	9,97	3,18	3,30	4,05	90,41	110,95	48,78	16	398,68
1960-61 . .	58,66	185,20	1,11	16,36	7,13	9	10,04	3,47	4,40	4,56	117,82	140,38	48,36	20	457,40
1961-62 . .	59,17	1,49,89	1,10	15,26	6,04	6	10,24	3,73	3,74	3,86	57,10	78,73	194,99	3,02	5,08,20
1962-63 (Budget)	70,31	1,63,24	1,57	17,78	8,75	3	10,47	3,50	5,32	4,32	85,81	109,45	213,54	3,07	5,87,71
1962-63 (Revised)	76,39	1,57,26	78	19,61	8,75	3	10,64	3,77	4,54	4,01	85,45	108,44	210,24	3,35	5,84,82
1963-64 (Budget)	88,28	1,55,40	1,96	16,84	9,79	3	10,68	3,68	3,02	4,31	89,26	110,98	217,55	3,42	6,04,22

ANNEXURE VI

ANALYSIS OF EXPENDITURE ON "ADMINISTRATIVE SERVICES" INCLUDED IN ANNEXURE V

Year	Parliament	General Administration	Audit	Administration of Justice	Jails	Police	External Affairs	*Supplies and Disposals	*Miscellaneous Departments	Tribal Areas	Total
1952-53	1,72	7,73	4,37	17	5	2,91	4,19	..	..	2,16	23,30
1953-54	2,34	8,62	4,81	18	4	3,16	4,56	..	..	3,03	26,74
1954-55	2,16	9,53	5,32	22	4	4,10	5,44	..	..	3,81	30,62
1955-56	2,10	10,60	5,45	21	4	4,17	5,99	..	..	5,01	33,57
1956-57	3,22	10,84	5,99	26	8	6,58	6,91	..	..	4,18	38,06
1957-58	2,84	11,90	6,47	39	13	7,81	7,00	..	..	5,46	42,00
1958-59	3,00	13,21	7,05	42	14	7,23	7,44	..	..	9,61	48,10
1959-60	2,18	13,57	7,51	45	16	8,61	8,91	..	..	10,65	52,04
1960-61	2,23	14,38	8,30	52	22	11,74	9,77	..	..	11,50	58,66
1961-62	..	19,22	8,51	54	22	18,76	11,92	..	..	..	59,17
1962-63 (Budget)	3,12	18,32	9,09	59	22	19,37	12,98	3,18	3,44	..	70,31
1962-63 (Revised)	3,09	18,47	9,11	61	23	25,62	12,71	3,15	3,40	..	76,39
1963-64 (Budget)	2,88	19,71	9,71	61	25	33,53	15,17	3,21	3,21	..	88,28

*Actuals in respect of earlier years appear under the Head " Industries " in Annexure VII.

ANNEXURE VII

ANALYSIS OF EXPENDITURE ON "SOCIAL AND DEVELOPMENTAL SERVICES" INCLUDED IN ANNEXURE V

Year	Scientific Departments	Education	Medical	Public Health	Agriculture	Rural Development	Animal Husbandry	Co-operation	Industries	Broadcasting	Community Development National @ Extension Service, etc.	Labour and* Employment.	Miscellaneous Social Service Organisations	Capital outlay on Industrial Development met from Revenue	Total
1952-53 .	6,24	3,32	72	69	2,22	..	30	1	4,67	1,92	..	..	3,76	..	23,85
1953-54 .	6,80	4,30	74	87	2,34	..	34	1	11,48	2,09	..	..	4,21	..	33,18
1954-55 .	7,60	9,43	1,23	1,51	3,29	1	34	1	10,67	2,26	..	..	3,73	..	40,08
1955-56 .	8,92	14,23	1,46	2,36	6,57	30	51	6	12,75	2,68	..	..	5,89	..	55,73
1956-57 .	11,33	19,44	2,87	3,65	7,46	48	93	74	19,84	3,18	..	..	9,18	..	79,10
1957-58 .	13,23	20,98	4,52	8,69	10,61	72	95	99	45,85	3,45	..	..	10,96	..	1,20,95
1958-59 .	16,44	27,89	5,64	7,77	12,37	88	1,15	1,86	48,09	3,91	..	..	13,71	...	1,39,71
1959-60 .	19,72	36,69	6,68	8,06	13,85	86	2,13	2,53	51,84	4,20	..	..	15,40	..	1,61,96
1960-61 .	21,36	43,82	8,57	5,11	13,60	84	2,44	3,27	61,96	4,32	..	..	19,89	2	1,85,20
1961-62 .	23,00	26,01	6,10	3,81	7,57	1	1,06	2,26	48,72	4,39	2,00	4,80	20,15	1	1,49,89
1962-63(Budget)	31,24	32,10	6,86	5,45	9,24	1	1,43	3,47	48,42	5,01	2,32	5,95	11,69	5	1,63,24
1962-63(Revised)	26,71	30,01	6,60	4,66	8,48	1	1,16	3,42	51,97	4,54	2,21	5,42	12,04	3	1,57,26
1963-64(Budget)	30,14	30,03	7,70	4,85	8,61	1	1,27	3,91	43,35	5,04	1,92	6,71	11,81	5	1,55,40

NOTE :—From 1961-62 all the grants to States for the Social and Developmental services are being booked under the Head 'Grants in aid to States' as shown in Annexure V—Details of Grants in-aid are given in Section I—Expenditure Estimates.

*Till 1960-61 expenditure relating to " Labour and Employment " was recorded under Major Head " Miscellaneous Departments " and " Miscellaneous ".

@Till 1960-61 expenditure under this Head was included in Section " Extraodinary Items " and appears in Annexure I.

ANNEXURE VIII

ANALYSIS OF EXPENDITURE ON "MULTIPURPOSE RIVER SCHEMES, ETC." AND "TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)" INCLUDED IN ANNEXURE V

Year	Multipurpose River Schemes, etc.				Transport and Communications (Other than Roads)						
	Multi-purpose River Schemes	Irrigation Navigation, etc.	Electricity Schemes	Total	Ports and Pilotage	Mercantile Marine	Light-houses and Lightships	Aviation	Road ond Water Transport.	Overseas Communications Service	Total
1952-53 . . .	24	2	..	26	83	..	20	2,72	5	81	4,61
1953-54 . . .	16	3	..	19	77	..	19	2,39	5	90	4,30
1954-55 . . .	23	3	..	26	80	..	23	2,44	6	94	4,47
1955-56 . . .	59	2	..	61	89	..	35	2,53	6	1,01	4,84
1956-57 . . .	51	4	1	56	80	..	45	2,79	31	1,09	5,44
1957-58 . . .	24	11	4	39	79	..	17	2,89	65	1,20	5,70
1958-59 . . .	50	10	4	64	20	56	57	3,15	77	1,20	6,45
1959-60 . . .	63	12	6	81	46	64	63	9,03	68	1,27	12,71
1960-61 . . .	87	13	11	1,11	38	67	76	3.25	82	1,25	7,13
1961-62 . . .	69	13	28	1,10	58	79	91	3,76	..	..	6,04
1962-63 (Budget) .	64	23	70	1,57	41	83	97	3,71	1,33	1,50	8,75
1962-63 (Revised) .	60	16	2	78	38	90	96	3,70	1,51	1,30	8,75
1963-64 (Budget) .	63	16	1,17	1,96	34	99	1,10	3,89	2,07	1,40	9,79

ANNEXURE IX

Statement showing resources transferred from Centre to States

(Figures in lakhs of Rupees.)

Serial No.	Purpose	1st Five Year Plan	IInd Five Year Plan	IIIrd Five Year Plan		
		Actuals		Actuals 1961-62	Revised 1962-63	Budget 1963-64
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	PART I.—*Taxes and Duties*					
	(*i*) Share of Divisible Taxes and Duties					
1	Income Tax . . .	2,78,24	3,74,67	93,85	95,27	97,95
2	Union Excise Duties . .	46,06	1,52,96	41,10	79,02	81,53
	(*ii*) Taxes and Duties accruing wholly to States					
1	Additional Duties of Excise in lieu of Sales Taxes . .	..	1,28,27	39,55	45,89	46,54
2	Taxes on Railway Passenger Fares	..	42,56	..	..	..
3	Estate Duty . . .	2,44	12,67	3,88	3,88	3,88
	TOTAL—PART I . .	3,26,74	7,11,13	1,78,38	2,24,06	2,29,90
	PART II.—*Grants met from Revenue*					
	A.—*Statutory Grants*					
1	Article 273 of the Constitution .	14,45	12,60	..	..	..
2	Substantive provision of Article 275(1)	27,03	1,52,99	39,50	61,00	61,00
3	Provisos to Article 275(1) .	13,45	33,89	3,91	7,43	7,43
4	Article 278	49,47	..	..	..	..
5	Section 74 of the S. R. Act. .	..	7,06	..	..	..
	B.—*Other Grants*					
	Police: Payments for Police Force .	..	2,12	3,94	4,42	5,40
	Miscellaneous Departments : Small Savings Scheme .	..	25	8	24	24

(1)	(2)	(3)	(4)	(5)	(6)	(7)
3	Scientific Departments :					
	(*a*) Scientific and Technical Education	2,12	7,19	3,10	4,34	4,12
	(*b*) Reorganisation and Development of Museums	..	24	2	11	8
	(*c*) Other Grants	..	..	10	12	17
4	Education :					
	(*a*) Centrally Aided Schemes			14,08	18,16	18,25
	(*b*) Centrally Sponsored Schemes.	13,27	57,46	58	71	82
	(*c*) Other Schemes			10,66	4,44	5,09
5	Medical :					
	(*a*) Medical Education	..	8,55	1,32	1,49	5,38
	(*b*) Schemes for Control of Diseases.	1	2,02	15	63	62
	(*c*) Other Grants		71	20	19	15
6	Public Health :					
	(*a*) Education and Training Schemes	..	50	47	27	27
	(*b*) Schemes for Control of Diseases	..	4,20	6,67	7,23	8,80
	(*c*) Primary Health Units and Family Planning	15	6,74	3,66	3,13	1,63
	(*d*) Malaria Eradication and Other Grants including Material and Equipment	6,80	29,04	6,88	5,57	2,58
7	Agriculture :					
	(*a*) Agricultural Production and Research	15,57	30,24	8,97	11,24	11,82
	(*b*) Fisheries			54	41	90
8	Rural Development	..	2,02	..	..	..
9	Animal Husbandry	12	4,67	1,32	1,92	2,07
10	Co-operation	..	..	57	88	1,13
11	Industries and Supplies :					
	(*a*) Development of Handloom	1,60	17,85	3,23	3,85	2,92
	(*b*) Development of Handicrafts	16	1,39	20	20	30
	(*c*) Development of Sericulture and Silk	..	55	16	26	30
	(*d*) Development of Small Scale Industries	..	7,46	3,09	1,45	1,15
	(*e*) Development of Coir Industry	..	35	9	7	5
	(*f*) Other Grants	..	11	16	12	12
12	*Broadcasting* :					
	(*a*) Community Listening	3	80	5	11	8
	(*b*) Press Information Bureau	..	..	2	3	3
13	*Labour and Employment* :					
	(*a*) Training of Craftsmen	..	16	1	..	..
	(*b*) Training of Displaced persons	..	10,22	24	7	6
	(*c*) Other Grants			3,78	6,25	9,02

ANNEXURE IX

(1)	(2)	(3)	(4)	(5)	(6)	(7)
14	Miscellaneous Social and Developmental Organisations :					
	(a) National Sample Survey	..	..	13	14	14
	(b) Dairy Development	..	2,66	88	46	1,30
	(c) Improvement of Statistics	..	1,46	4	7	9
	(d) Development of Tourists Centres	..	52	22	8	11
	(e) National Building Organisation	..	1	1	2	11
	(f) Other Grants	..	..	33	8	66
15	Community Development, National Extension Service and Local Development Works :					
	(a) Community Development Projects	9,80	49,48	17,63	23,20	21,70
	(b) National Extension Service	5,09	16,09	1,89	6	..
	(c) Training Schemes and Other Grants	..	32	36	73	58
16	Forests :					
	(a) Forest and soil conservation Schemes	30	5,65	42	84	97
	(b) Other Grants	..	..	1,95	1,40	1,50
17	Miscellaneous Grants :					
	(a) Introduction of Metric System	..	07	36	33	25
	(b) Subsidy for the acquisition of Gold from Kolar and Hutti Mines	..	7,52	3,16	2,20	40
	(c) Treasury Work and Separation of Audit from Accounts	..	13	8	..	..
	(d) Assistance for Natural Calamities	17,41	16,98	7,15	6,00	5,00
	(e) Grants in lieu of loss in Income tax Share consequent upon changes in Company Taxation	..	26,35	20,23	1,49	..
	(f) Grant in lieu of Tax on Railway Fares	..	..	12,50	12,50	12,50
	(g) Subsidy in lieu of Interest	..	..	1,11	1,36	1,79
	(h) Welfare of Backward Classes	8,75	19,41	3,73	5,52	5,50
	(i) Development of Border Areas	..	60	1,66	1,97	3,38
	(j) Relief and Rehabilitation of Displaced persons	36,22	48,61	3,03	2,97	1,69
	(k) Rural Housing Cells	..	3	4	5	5
	(l) Assistance for Raising Emoluments of Low Paid Employees	—	53,45	..	14	..
	(m) Fundamental and Basic Research	..	..	15	14	9

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	(n) Grants to Meet Revenue Deficit of former Part C States	19,79	4,37	..	..	..
	(o) Economic Rehabilitation of Tribal Areas in Assam	..	1,02	..	..	..
	(p) Town Planning including preparation of Master Plans	..	..	..	40	15
	(q) Family Planning Grants to States	..	..	..	..	1,10
	(r) Setting up of pilot Project of Urban Community Development Scheme in various States	..	..	..	..	5
	(s) Compensation to State Governments on the aquisition of the Bank of Saurashtra and the Bank of Patiala	..	..	1,34	..	..
	(t) Other Grants (including Food Subsidy to Jammu & Kashmir)	6,42	11,22	40	12	32
	(u) Contribution for Election Expenses	..	..	2,47	..	..
	TOTAL—PART II. *Grants met from Revenue*	2,48,01	6,67,93	1,99,02	2,08,61	2,11,41
	PART III.—*Grants from Central Road Fund*					
	Grants from Central Road Fund	15,93	18,96	1,75	3,70	1,75
	PART IV.—*Grants met from Capital*					
1	Development Grants	12,66	18,76	4,11	5,55	7,50
	Housing Schemes :					
2	Industrial Housing and Slum clearance	4,65	12,46	3,18	4,60	2,47
3	Rural Housing Cells set up for implementation of Village Housing Project Scheme	..	1	..	..	..
4	Grant to Punjab Government for construction of Capital at Chandigarh.	..	1,00	..	..	..
	Transport Schemes					
5	State Roads of Economic or Inter-State Importance	3,93	16,81	3,48	4,12	3,75
6	Construction of Border Roads	..	4	4,50	7,40	9,66
	Other Grants					
7	National Water Supply and Sanitation Programme	2,52	7,83	60	1,25	1 20
8	Grants under the Gadgil Committee's award	..	1,72	..	..	..
	TOTAL PART IV GRANTS MET FROM CAPITAL	23,76	59,06	15,87	22,92	2

(1)	(2)	(3)	(4)	(5)	(6)	
	PART V.—*Loans*					
1	Irrigation and Multipurpose River Schemes . . .	2,52,48	3,09,58	70,57	65,76	52,60
2	Miscellaneous Development Purposes	1,71,36	2,59,28	1,15,34	1,72,72	1,32,96
3	Agricultural Production, Animal Husbandry, Dairying and Fisheries, Forest and Soil Conservation Schemes .	1,09,96	1,73,22	49,22	61,96	67,40
4	Rehabilitation Purposes . .	47,96	29,08	3,11	2,88	3,60
5	Industrial Housing and Other Housing Schemes .	19,94	57,65	10,72	10,51	5,77
6	Land Acquisition Schemes .			3,21	..	.
7	Community Development Projects and National Extension Services Schemes . .	13,83	47,47	16,26	15,00	14,30
8	Natural Calamities . .	2,10	12,91	7,24	2,24	2,00
9	Permanent Improvement in scarcity affected areas . .	27,14	12,33	10	..	..
10	Development of Handloom and Small Scale Industries and conversion of Handloom into Powerloom . . .	..	39,21	7,77	6,05	5,12
11	Flood Control Schemes . .		48,29	2,70	8,83	13,27
12	Urban Water Supply Scheme .	1,53,76	17,85	1,34	11,15	12,50
13	Sharing of Small Savings .		2,29,89	61,45	53,57	70,00
14	Loans out of Centralised Market Borrowing	..	..	..	..	1,00,00
15	Other Purposes . . .	..	1,74,08	1,03,39	1,12,48	61,56
	TOTAL—PART V—LOANS . .	7,98,53	14,10,84	4,52,42	5,23,15	5,41,08
	GRAND TOTAL . . .	14,12,97	28,67,92	8,47,44	9,82,44	10,08,72

The actuals shown above are provisional.

ANNEXURE X

Analysis of receipts and disbursements in India and abroad other than Defence

The statement below gives a broad analysis of the receipts and disbursements of the Central Government showing separately the transactions in India and outside the country, other than those relating to Defence. These do not include expenditure financed by direct remittances from India to suppliers abroad through commercial banking channels, the amount of which is, however, very small.

RECEIPTS

(Figures in lakhs of Rupees)

	Budget, 1962-63			Revised, 1962-63			Budget, 1963-64		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	Total
I. REVENUE RECEIPTS									
(a) Civil	13,76,54	4,39	13,80,93	14,96,57	3,68	15,00,25	18,32,55	3,63	18,36,18
(b) P. & T.	89,22	..	89,22	96,40	..	96,40	1,07,51	..	1,07,51
TOTAL—REVENUE	14,65,76	4,39	14,70,15	15,92,97	3,68	15,96,65	19,40,06	3,63	19,43,69
II. LOANS									
(a) Permanent Debt									
(i) From I.B.R.D.	..	35,24	35,24	..	25,04	25,04	..	12,97	12,97
(ii) For Steel Plants	..	1,19	1,19	..	8,71	8,71	..	8,00	8,00
(iii) Other Loans	4,24,74	2,54,53	6,79,27	4,62,05	1,73,00	6,35,05	5,49,79	2,92,17	8,41,96
(b) Floating Debt (Net)	89,02	..	89,02	1,93,45	..	1,93,45	1,81,02	..	1,81,02
TOTAL—LOANS	5,13,76	2,90,96	8,04,72	6,55,50	2,06,75	8,62,25	7,30,81	3,13,14	10,43,95
III. OTHER RECEIPTS	3,99,74	19,39	4,19,13	4,12,54	18,89	4,31,43	5,58,80	3,85	5,62,65
TOTAL—RECEIPTS	23,79,26	3,14,74	26,94,00	26,61,01	2,29,32	28,90,33	32,29,67	3,20,62	35,50,29

DISBURSEMENTS

(Figures in lakhs of Rupees)

	Budget, 1962-63			Revised, 1962-63			Budget, 1963-64		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	Total
I. EXPENDITURE MET FROM REVENUE :									
(*a*) Civil :									
(*i*) Offices and organisations abroad including Embassies & Missions	..	7,31	7,31	..	7,05	7,05	..	6,98	6,98
(*ii*) Contribrutions to U.N. and other International Organisations .	1,66	2,68	4,34	2,93	2,89	5,82	1,57	2,83	4,40
(*iii*) Debt Charges (including Service charges for Dollar purchases) .	2,13,68	36,02	2,49,70	2,13,12	35,10	2,48,22	2,41,19	42,10	2,83,29
(*iv*) Other expenditure .	7,68,88	8,06	7,76,94	8,02,17	7,24	8,09,41	8,40,18	9,04	8,49,22
(*b*) P. & T. . . .									
(*i*) Working Expenses .	75,30	..	75,30	83,00	..	83,00	87,54	..	87,54
(*ii*) Dividend . .	5,57	..	5,57	5,53	..	5,53	6,82	..	6,82
(*iii*) Appropriations from P. & T. Surplus .	8,35	..	8,35	7,87	..	7,87	13,15	..	13,15
EXPENDITURE MET TOTAL—FROM REVENUE .	10,73,44	54,07	11,27,51	11,14,62	52,28	11,66,90	11,90,45	60,95	12,51,40

II—CAPITAL OUTLAY INCLUDING LOANS AND ADVANCES, ETC:									
(*a*) Civil:									
(*i*) Purchase of Food-grains . . .	1,48,41	34,09	1,82,50	1,63,82	31,72	1,95,54	2,05,52	23,50	2,29,02
(*ii*) Purchase of Fertilizers . . .	31,10	16,90	48,00	35,68	12,34	48,02	38,75	13,25	52,00
(*iii*) Steel Plants .	44,75	16,25	61,00	53,51	12,08	65,59	84,66	16,34	1,01,00
(*iv*) Purchases through I.S.M. . . .	..	11,95	11,95	..	86,86	86,86	..	22,02	22,02
(*v*) Repayment of debt other than Floating debt .	1,96,26	31,37	2,27,63	2,00,64	30,07	2,30,71	1,91,76	40,71	2,32,47
(*vi*) Loans and Advances by Central Govt. (net) excluding loans to H.S. (P) Ltd. . . .	3,41,66	97	3,42,63	4,16,70	97	4,17,67	4,47,48	1	4,47,49
(*vii*) Other Miscellaneous Expenditure and Recoveries on Capital Account .	78,36	27,43	1,05,79	53,12	40,91	94,03	77,69	23,42	1,01,11
TOTAL—CIVIL .	8,40,54	1,38,96	9,79,50	9,23,47	2,14,95	11,38,42	10,45,86	1,39,25	11,85,11

DISBURSEMENTS—*concld.*

(Figures in lakhs of Rupees)

	Budget, 1962-63			Revised, 1962-63			Budget, 1963-64		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	Total
(*b*) P. & T. . . .	15,08	..	15,08	14,92	..	14,92	28,00	..	28,00
(*c*) Railways . . .	1,53,55	42,95	1,96,50	1,60,83	42,17	2,03,00	1,57,52	60,98	2,18,50
TOTAL—DISBURSEMENTS I & II	20,82,61	2,35,98	23,18,59	22,13,84	3,09,40	25,23,24	24,21,83	2,61,18	26,83,01

ANNEXURE XI

Statement showing the distribution by Demands for Grants of the expenditure shown by heads of account in the Budget of Central Government for 1963-64.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross Expenditure (*i.e.* Amount of Demand)	Recoveries taken in reduction of Expenditure in the Budget	Net expenditure shown in the Budget
I. *Expenditure met from Revenue—*				
Collection of Taxes, Duties and other Principal Revenues:				
1. Customs . . .	25. Customs . . .	4,18,13	—10	4,18,03
2. Union Excise Duties .	26. Union Excise Duties .	10,53,92	—2,00,41	8,53,51
3. Corporation Tax .	27. Taxes on Income including Corporation Tax, etc.	56,84	..	56,84
4. Taxes on Income other than Corporation Tax.	27. Taxes on Income including Corporation Tax, etc.	5,91,24	..	5,91,24
	62. Tripura . . .	7	..	7
	TOTAL—TAXES ON INCOME, etc	5,91,31	..	5,91,31
5. Estate Duty . .	27. Taxes on Income including Corporation Tax, etc. .	8,80	..	8,80
6. Taxes on Wealth .	27. Taxes on Income including Corporation Tax, etc.	29,76	..	29,76
7. Expenditure Tax .	27. Taxes on Income, etc. .	31	..	31
8. Gift Tax . .	27. Taxes on Income, etc. .	2,81	..	2,81
9. Land Revenue . .	18. Naga Hills—Tuensang Areas	32	..	32
	21. Dadra—Nagar Haveli Area	1,70	..	1,70
	58. Delhi	2,80	..	2,80
	59. Himachal Pradesh .	23,57	..	23,57
	60. Andaman and Nicobar Islands . . .	2,40	..	2,40
	61. Manipur . . .	6,89	..	6,89
	62. Tripura . . .	29,53	..	29,53
	63. Laccadive, Minicoy & Amindivi Islands . .	77	..	77
	TOTAL—LAND REVENUE . . .	67,98	..	67,98
10. State Excise Duties .	18. Naga Hills—Tuensang Areas . . .	10	..	10
	21. Dadra—Nagar Haveli Area . . .	75	..	75
	58. Delhi	1,94	..	1,94
	59. Himachal Pradesh .	2,16	..	2,16
	61. Manipur . . .	44	..	44
	62. Tripura . . .	83	..	83
	TOTAL—STATE EXCISE DUTIES . .	6,22	..	6,22

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
11. Taxes on Vehicles	18. Naga Hills—Tuensang Areat	24	..	24
	58. Delhi	3,93	...	3,93
	59. Himac. Pradesh	17	..	17
	61. Manip	28	...	28
	62. Tripur	18	...	18
TOTAL—TAXES ON VEHICLES		4,80	...	4,80
12. Sales Tax	58. Delhi	13,83	...	31,83
	59. Himachal Prad	33	..	33
	61. Manipur	42	...	42
TOTAL—SALES TAX		14,58	..	14,58
13. Other Taxes and Duties	58. Delhi	21,71	..	21,71
	59. Himachal Pradesh	1,01	...	1,01
	61. Manipur	2	...	2
	62. Tripura	1	..	1
TOTAL—OTHER TAXES, ETC.		22,75	..	22,75
14. Stamps	28. Stamps	3,04,54	—3,60	3,00,94
	58. Delhi	1,53	..	1,53
	59. Himachal Pradesh	16	..	16
	60. Andaman and Nicobar Islands	2	..	2
	61. Manipur	9	..	9
	62. Tripura	20	..	20
	63. Laccadive, Minicoy and Amindivi Islands	1	..	1
TOTAL—STAMPS		3,06,55	—3,60	3,02.95
15. Registration ees	58. Delhi	1,01	..	1,01
	59. Himachl Pradesh	1	..	1
	61. Manipr	29	..	29
	62. Tripura	1,04	..	1,04
TOTAL—REGISTRATION FEES		2,35	..	2,35
TOTAL—COLLECTION OF TAXES, DUTIES AND OTHER PPAL REVENUS		25,87,11	—2,04,11	23, 83,00
Debt Services:				
16. Interest on Debt and other obligations	*Interest on Debt and other obligations*	2,75,24,5	..	2,75,24,05
17. Ap ropriation for Reductio or Avoidance of Debt	Do.	5,00,00	..	5,00,000

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of the Demand)	Recoveries taken in reduction of expenditure in Budget	Net expenditure shown in the Budget
Administrative Services—				
18. Parliament and State Legislatures	18. Naga Hills—Tuensang Areas	5,24	..	5,24
	76. Elections	1,39,19	..	1,39,19
	108. Department of Parliamentary Affairs	3,17	..	3,17
	109. Lok Sabha	96,86	..	96,86
	111. Rajya Sabha.	43,69	—3	43,66
	TOTAL—PARLIAMENT, ETC.	2,88,15	—3	2,88,12
19. General Administration	1. Ministry of Commerce and Industry	76,46	..	76,46
	6. Ministry of Community Development and Co-operation	29,32	..	29,32
	8. Ministry of Defence	54,13	..	54,13
	11. Ministry of Economic and Defence-Co-ordination.	16,81	..	16,81
	14. Ministry of Education	44,08	..	44,08
	17. Tribal Areas	1,34,83	—60,00	74,83
	18. Naga Hills—Tuensang Areas	92,50	..	92,50
	19. External Affairs	1,46,55	—94	1,45,61
	21. Dadra—Nagar Haveli Area	1,42	..	1,42
	24. Ministry of Finance	1,87,38	—25	1,87,13
	41. Ministry of Food and Agriculture	82,36	—6	82,30
	47. Ministry of Health	19,34	..	19,34
	50. Ministry of Home Affairs	4,44,09	—30	4,43,79
	51. Cabinet	45,48	..	45,48
	52. Zonal Councils	2,42	..	2,42
	58. Delhi	60,63	..	60,63
	59. Himachal Pradesh	46,88	—58	46,30
	60. Andaman and Nicobar Islands	11,85	..	11,85
	61. Manipur	24,33	..	24,33
	62. Tripura	26,88	..	26,88
	63. Laccadive, Minicoy and Amindivi Islands	2,94	..	2,94
	65. Ministry of Information and Broadcasting	17,58	..	17,58
	68. Ministry of Irrigation and Power	27,21	—52	26,69
	71. Ministry of Labour and Employment	27,10	..	27,10
	75. Ministry of Law	40,64	—70	39,94
	78. Ministry of Mines and Fuel	24,85	..	24,85
	81. Ministry of Scientific Research and Cultural Affairs	37,38	..	37,38
	88. Ministry of Steel and Heavy Industries	31,21	..	31,21
	90. Ministry of Transport and Communications	1,02,25	—7,77	94,48
	101. Ministry of Works, Housing and Rehabilitation	89,59	..	89,59
	106. Department of Atomic Energy	15,73	..	15,73

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure in the Budget
	12. Secretariat of the Vice-President	1,23	..	1,23
	Staff, Household and Allowances of the President	27,13	..	27,13
	Union Public Service Commission	49,15	..	49,15
	TOTAL—GENERAL ADMINISTRATION	20,41,73	—71,12	19,70,61
20. Audit	29. Audit	13,33,28	—3,62,37	9,70,91
21. Administration of Justice	18. Naga Hills—Tuensang Areas	33	..	33
	21. Dadra—Nagar Haveli Area	24	..	24
	53. Administration of Justice	23,90	—7	23,83
	58. Delhi	25,14	..	25,14
	59. Himachal Pradesh	6,01	..	6,01
	60. Andaman and Nicobar Islands	3	..	3
	61. Manipur	2,23	..	2,23
	62. Tripura	3,10	..	3,10
	63. Laccadive, Minicoy and Amindivi Islands	2	..	2
	TOTAL—ADMINISTRATION OF JUSTICE	61,00	—7	60,93
22. Jails	18. Naga Hills—Tuensang Areas	4,46	..	4,46
	21. Dadra—Nagar Haveli Area	9	..	9
	58. Delhi	10,83	—68	10,15
	59. Himachal Pradesh	2,57	..	2,57
	60. Andaman and Nicobar Islands	78	..	78
	61. Manipur	3,27	..	3,27
	62. Tripura	4,23	..	4,23
	63. Laccadive, Minicoy, etc.	1	..	1
	TOTAL—JAILS	26,24	—68	25,56
23. Police	17. Tribal Areas	8,11,75	—90,00	7,21,75
	18. Naga Hills—Tuensang Areas	2,50,00	..	2,50,00
	21. Dadra—Nagar Haveli Area	1,95	..	1,95
	54. Police	16,16,09	—34,10	15,81,91
	58. Delhi	2,95,94	..	2,95,94
	59. Himachal Pradesh	88,36	..	88,36
	60. Andaman & Nicobar Islands	25,04	..	25,04
	61. Manipur	1,06,47	..	1,06,47
	62. Tripura	2,80,08	..	2,80,08
	63. Laccadive, Minicoy, etc.	1,24	..	1,24
	TOTAL—POLICE	34,76,92	—1,24,10	33,52,82
24. External Affairs	19. External Affairs	15,41,25	—24,13	15,17,11
25. Supplies and Disposals	12. Supplies and Disposals	3,21,61	—43	3,21,12

(In thousands of Rupees)

Major Head or Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
26.—Miscellaneous Deptts.				
	4. Commercial Intelligence and Statistics	73,94	..	73,94
	5. Other Revenue expenditure of the Ministry of Commerce and Industry	68,33	..	68,33
	16. Other Revenue expenditure of the Ministry of Education	14,02	..	14,02
	18. Naga Hills—Tuensang Areas	7,90	..	7,90
	36. Other Revenue expenditure of the Ministry of Finance	75,03	..	75,03
	46. Other Revenue expenditure of the Ministry of Food and Agriculture	2,04,57	—2,23,80	—19,23
	58. Delhi	6,24	..	6,24
	59. Himachal Pradesh	1,77	..	1,77
	60. Andaman and Nicobar Islands	76	..	76
	61. Manipur	29	..	29
	62. Tripura	2,04	..	2,04
	64. Other Revenue expenditure of the Ministry of Home Affairs	7,98	—1,00	6,98
	67. Other Revenue expenditure of the Ministry of Information and Broadcasting	76,24	—94	75,30
	74. Other Revenue expenditure of the Ministry of Labour and Employment	35	—20	15
	87. Other Revenue expenditure of the Ministry of Scientific Research and Cultural Affairs	20	..	20
	105. Other Revenue expenditure of the Ministry of Works, Housing and Rehabilitation.	7,25	..	7,25
	TOTAL—MISCELLANEOUS DEPARTMENTS	5,46,91	—2,25,94	3,20,97
	TOTAL—ADMINISTRATIVE SERVICES	96,37,09	—8,08,87	88,28,22
Social and Developmental Services—				
27. Scientific Departments	46. Other Revenue expenditure of the Ministry of Food and Agriculture	7,08	—3	7,05
	59. Himachal Pradesh	22	..	22
	72. Chief Inspector of Mines	27,99	..	27,99
	79. Geological Survey	4,15,42	—31,88	3,83,54
	80. Other Revenue expenditure of the Ministry of Mines & Fuel	2,00,96	..	2,00,96
	82. Archaeology	1,10,90	..	1,10,90
	83. Survey of India	3,61,28	—61,79	2,99,49
	84. Botanical Survey	27,81	..	27,81
	85. Zoological Survey	19,85	—12	19,73
	86. Scientific Research and Cultural Affairs	10,57,14	—1,56,50	9,00,64
	91. Meteorology	2,11,35	—16,03	1,95,32
	107. Atomic Energy Research	8,40,66	..	8,40,66
	TOTAL—SCIENTIFIC DEPARTMENTS	32,80,66	—2,66,3	30,14,31

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
28. Education	15. Education	16,85,00	—7,95	16,77,05
	17. Tribal Areas	38,06	..	38,06
	18. Naga Hills—Tuensang Areas	70,00	..	70,00
	21. Dadra—Nagar Haveli Area	2,33	..	2,33
	58. Delhi	5,06,83	..	5,06,83
	59. Himachal Pradesh	33,68	—73	32,95
	60. Andaman & Nicobar Islands	15,95	..	15,95
	61. Manipur	27,74	..	27,74
	62. Tripura	59,96	..	59,96
	63. Laccadive, Minicoy and Amindivi Islands	6,81	..	6,81
	86. Scientific Research and Cultural Affairs	7,00,49	—1,35,00	5,65,49
	TOTAL—EDUCATION	31,46,85	—1,43,68	30,03,17
29. Medical	17. Tribal Areas	48,15	..	48,15
	18. Naga Hills—Tuensang Areas	32,50	..	32,50
	21. Dadra—Nagar Haveli Area	37	..	37
	48. Medical and Public Health.	5,77,11	—40,99	5,36,12
	58. Delhi	97,18	..	97,18
	59. Himachal Pradesh	14,99	..	14,99
	60. Andaman & Nicobar Islands	10,96	..	10,96
	61. Manipur	8,67	..	8,67
	62. Tripura	19,09	..	19,09
	63. Laccadive, Minicoy and Amindivi Islands	1,98	..	1,98
	TOTAL—MEDICAL	8,11,00	—40,99	7,70,01
30. Public Health	17. Tribal Area	6,57	—2,22	4,35
	18. Naga Hills—Tuensang Areas	10,00	—2,11	7,89
	21. Dadra—Nagar Haveli Area	28	..	28
	48. Medical and Public Health.	4,48,03	—19,66	4,28,37
	58. Delhi	2,04	—1,89	15
	59. Himachal Pradesh	30,99	—1,18	29,81
	60. Andaman & Nicobar Islands	3,16	—33	2,83
	61. Manipur	12,75	—3,35	9,40
	62. Tripura	1,02	—32	70
	63. Laccadive, Minicoy and Amindivi Islands	1,27	..	1,27
	TOTAL—PUBLIC HEALTH	5,16,11	—31,06	4,85,05
31. Agriculture	17. Tribal Areas	19,28	—45	18,83
	18. Naga Hills—Tuensang Areas	21,71	..	21,71
	21. Dadra—Nagar Haveli Area	25	..	25
	42. Agriculture	3,19,82	—92,94	2,26,88
	43. Agricultural Research	5,17,20	—52,12	4,65,08
	58. Delhi	9,53	—1,90	7,63
	59. Himachal Pradesh	68,60	..	68,60
	60. Andaman & Nicobar Islands	16,24	—30	15,94
	61. Manipur	8,25	..	8,25
	62. Tripura	25,42	..	25,42
	63. Laccadive, Minicoy and Amindivi Islands	2,24	..	2,24
	TOTAL—AGRICULTURE	10,08,54	—1,47,71	8,60,83

(In thousands of Rupes)

Major Head of Account	Number and Name o Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
32. Rural Development .	46. Other Revenue expenditure of the Ministry of Food and Agriculture	1,47	—52	95
33. Animal Husbandry	18. Naga Hills—Tuensang Areas	7,66	..	7,69
	21. Dadra, Nagar Haveli Areas	10	...	10
	44. Animal Husbandry . .	96,77	1,72	95,05
	58. Delhi	6 73	..	6,73
	59. Himachal Pradesh . .	14,89	.	14,89
	60. Andaman & Nicobar Islands	1,91		1,91
	63. Laccadive, Minicoy and Amindivi Islands . .	21	..	21
	TOTAL—ANIMAL HUSBANDRY . .	1,28,30	—1,72	1,26,58
34. Co-operation .	7. Cgmmunity Development Projectr, National Extension Service and Co-operation	3,53,00	..	3,53,00
	17. Tribal Areas . . .	3,12	..	3,12
	18. Naga Hills—Tuensang Areas	1,70	..	1,70
	21. Dadra—NagarHaveli Areas	8	..	8
	58. Delhi	7,87	..	7,87
	59. Himachal Pradesh . .	12,07	..	12,07
	60. Andaman & Nicobar Islands	84	..	84
	61. Manipur . . .	5,07	..	5,07
	62. Tripura . . .	5,95	..	5,95
	63. Laccadive, Minicoy and Amindivi Islands . .	82	..	82
	—CO-OPERATION	3,90,52	..	3,90,52
35. Industries .	2. Ind stries	21,67,89	—30,89	21,37,00
	7. Salt	57,28	—16,20	41,08
	13. Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination .	38,47	..	38,47
	17. Tribal Areas . . .	8,21	..	8,21
	18. Naga Hills—Tuensang Areas	3,60	..	3,60
	58. Delhi . .	9,23	..	9,23
	59. Himachal Pradesh . .	34,81	..	34,81
	60. Andaman and Nicobar Islands . . .	1,93	..	1,93
	61. Manipur . .	10,87	..	10,87
	62. Tripura . .	17,32	..	17,32
	63. Laccadive, Minicoy and Amindivi Islands . .	94	..	94
	80. Other Revenue Expenditure of the Ministry of Mines and Fuel . .	26,71	..	26,71
	89. Other Revenue Expenditure of the Ministry of Steel and Heavy Industries . .	30,90,24	—12,05,00	18,85,24
	98. Other Revenue Expenditure of the Ministry of Transport and Communications .	1,20,00	..	1,20,00
	TOTAL—INDUSTRIES	55,87,50	—12,52,09	43,35,41
36. Broadcasting . .	66. Broadcasting . . .	5,61,88	—57,80	5,04,08

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.* amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
37. Community Development Projects, National Extension Service and Local Development Works.	7. Community Development Projects, etc.	42,48	—5,11	37,37
	17. Tribal Areas	19,30	..	19,30
	18. Naga Hills—Tuensang Areas	28,10	..	28,10
	21. Dadra—Nagar Haveli Area	2,50	..	2,50
	58. Delhi	4,97	..	4,97
	59. Himachal Pradesh	52,38	..	52,38
	60. Andaman and Nicobar Islands	4,26	..	4,26
	61. Manipur	25,99	—1	25,98
	62. Tripura	16,88	..	16,88
	63. Laccadive, Minicoy and Amindivi Islands	20	..	20
	TOTAL—COMMUNITY DEVELOPMENT, ETC.	1,97,06	—5,12	1,91,94
38. Labour and Employment.	58. Delhi	1,15,46	..	1,15,46
	59. Himachal Pradesh	10,35	..	10,35
	60. Andaman and Nicobar Islands	8,03	—2,85	5,18
	61. Manipur	3,18	..	3,18
	62. Tripura	5,99	..	5,99
	63. Labour and Employment	8,23,16	—2,92,35	5,30,81
	TOTAL—LABOUR & EMPLOYMENT	9,66,17	—2,95,20	6,70,97
39. Misc. Social and Developmental Organisations.	4. Commercial Intelligence & Statistics	20,82	..	20,82
	5. Other Revenue Expenditure of the Ministry of Commerce and Industry	2,11,75	..	2,11,75
	17. Tribal Areas	3,46	..	3,46
	18. Naga Hills—Tuensang Areas.	1,09	..	1,09
	21. Dadra—Nagar Haveli Area.	4	..	4
	46. Other Revenue Expenditure of the Ministry of Food and Agriculture	97,85	—8,76	89,09
	49. Other Revenue Expenditure of the Ministry of Health	11,94	..	11,94
	55. Census	93,50	..	93,50
	56. Statistics	1,90,71	..	1,90,71
	58. Delhi	26,44	..	26,44
	59. Himachal Pradesh	5,99	..	5,99
	61. Manipur	1,32	..	1,32
	62. Tripura	6,78	..	6,78
	64. Other Revenue Expenditure of the Ministry of Home Affairs	8,36	..	8,36
	67. Other Revenue Expenditure of the Ministry of Information & Broadcasting	3,05,62	—23,00	2,82,62
	70. Other Revenue Expenditure of the Ministry of Irrigation and Power	1,17,65	—26,87	90,78
	87 Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs	29,85	—16	29,69

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
	96. Other Revenue Expenditure of the Ministry of Transport and Communications	88,10	..	88,10
	104. Other Revenue Expenditure of the Ministry of Works, Housing & Rehabilitation .	19,18	—80	18,38
TOTAL—MISC. SOCIAL AND DEVELOPMENTAL ORGANISATIONS		12,40,45	—59,59	11,80,86
40. Capital Outlay on Industrial Development (Capital Account within the Revenue Account)	3. Salt	5,18	..	5,18
	TOTAL—SOCIAL AND DEVELOPMENTAL SERVICES	1,78,41,69	—23,01,83	1,55,39,86
Multipurpose River Schemes, Irrigation and Electricity Schemes :				
42. Multipurpose River Schemes, . . .	69. Multipurpose River Schemes	1,19,13	—56,18	62,95
44. Irrigation, Navigation Embankment and Drainage Works.	58. Delhi	4,08	..	4,08
	59. Himachal Pradesh .	5,52	..	5,52
	61. Manipur . .	1,10	..	1,10
	62. Tripura	4,62	..	4,62
	70. Other Revenue Expenditure of the Ministry of Irrigation and Power .	41	..	41
	TOTAL—IRRIGATION, ETC. .	15,73	..	15,73
45. Electricity Schemes .				
	18. Naga Hills-Tuensang Area	10,00	..	10,00
	21. Dadra-Nagar Haveli Area	25	..	25
	59. Himachal Pradesh . .	41,26	—2,56	38,70
	60. Andaman and Nicobar Islands	6,86	—1,98	4,88
	61. Manipur . . .	11,84	..	11,84
	62. Tripura	13,23	..	13,23
	63. Laccadive, Minicoy and Amindivi Islands . .	1,03	..	1,03
	70. Other Revenue Expenditure of the Ministry of Irrigation and Power . .	2,50,47	—2,13,51	36,96
	TOTAL—ELECTRICITY SCHEMES.	3,34,94	—2,18,05	1,16,89
	TOTAL—MULTIPURPOSE RIVER SCHEMES, IRRIGATION, ETC.	4,69,80	—2,74,23	1,95,57

In thousands of Rupees)

Major Heads	Account Number and Name of Demand	Amount: Gross xpenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
50. Public Works	92. Central Road Fund	4,35,00	—20,50	4,14,50
	93. Communications (insluding National Highways)	34,82,70	—25,41,14	9,41,56
	02. Public Works	7,37,93	..	7,37,93
	TOTAL—PUBLIC WORKS	46,55,63	—25,61,64	20,93,99
Transport and Communications (Other than Roads) :				
53. Ports and Pilotage	60. Andaman and Nicobar Islands	56,40	—23,00	33,40
	63. Laccadivi, Minicoy, etc.	17	..	17
	TOTAL	56,57	—23,00	33,57
54. Mercantile Marine	94. Mercantile Marine	99,57	—92	98,65
55. Lighthouses and Light ships	95. Lighthouses and Lightships	1,10,41	..	1,10,41
56. Aviation	59. Himachal Pradesh	5	..	5
	96. Aviation	5,51,38	—1,62,43	3,88,95
	TOTAL	5,51,43	—1,62,43	3,89,00
57. Road and Water Transport Schemes	21. Dadra-Nagar Haveli Area	40	..	40
	59. Himachal Pradesh	1,14,90	—12,40	1,02,50
	60. Andaman & Nicobar Islands	10,60	..	10,60
	61. Manipur	25,87	..	25,87
	62. Laccadive, Minicoy and Amindivi Islands	3,60	..	3,60
	98. Other Revenue Expenditure of the Ministry of Transport and Communications	64,35	..	64,35
	TOTAL—ROAD AND WATER TRANSPORT SCHEMES	2,19,72	—12,40	2,07,32
58. Overseas Communications Service	97. Overseas Communication Service	1,39,94	—20	1,39,74
	TOTAL—TRANSPORT AND COMMUNICATIONS (OTHER THAN ROADS)	11,77,64	—1,98,95	9,78,69
Currency and mint : 62. Currency & Coinage	30. Currency and Coinage	9,31,16	—17,07	1,09
63. Mint	31. Mint	2,52,52	—25	2,52,27
63-A. Kolar Gold Mines	32. Kolar Gold Mines	5,58,14	..	5,58,14
	TOTAL—CURRENCY AND MINT	17,41,82	—17,32	17,24,50

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
Miscellaneous :				
64. Famine Relief	58. Delhi	50	..	50
	60. Andaman and Nicobar Islands	8	..	8
	61. Manipur	1,25	..	1,25
	62. Tripura	1,20	..	1,20
	TOTAL—FAMINE	3,03	..	3,03
65. Pensions and Other Retirement benefits.	33. Pensions and Other Retirement benefits	5,48,78	—17,31	5,31,47
66. Territorial and Political Pensions.	34. Territorial and Political Pensions	22,92	..	22,92
67. Privy Purses and allowances of Indian Rulers	57. Privy Purses and Allowances of Indian Rulers	5,13,39	..	5,13,39
68. Stationery and Printing	18. Naga Hills-Tuensang Areas	63	..	63
	58. Delhi	27	..	27
	59. Himachal Pradesh	3,71	..	3,71
	60. Andaman & Nicobar Islands	1,72	..	1,72
	61. Manipur	1,08	..	1,08
	62. Tripura	2,59	..	2,59
	103. Stationery & Printing	9,74,20	—6,16,34	3,57,86
	TOTAL—STATIONERY AND PRINTING	9,84,20	—6,16,34	3,67,86
69. Opium	35. Opium	3,02,33	..	3,02,33
70. Forest	17. Tribal Areas	70,62	—45,00	25,62
	18. Naga Hils—Tuensang Area	20,00	—4,00	16,00
	21. Dadra-Nagar Haveli Area	1,07	..	1,07
	45. Forest	1,06,52	—62	1,05,90
	58. Delhi	1,90	..	1,90
	59. Himachal Pradesh	1,63,60	..	1,63,60
	60. Andaman and Nicobar Islands	1,07,82	—13,00	94,82
	61. Manipur	5,39	..	5,39
	62. Tripura	16,86	..	16,86
	TOTAL—FOREST	4,93,78	—62,62	4,31,16
71. Miscellaneous	5. Other Revenue Expenditure of the Ministry of Commerce and Industry	90,84	..	90,84
	13. Other Revenue Expenditure of the Ministry of Economic and Defence Co-ordination	18,42	..	18,42
	16. Other Revenue Expenditure of the Ministry of Education	2,33,06	—2,50	2,30,56
	17. Tribal Areas	2,05,78	..	2,05,78
	18. Naga Hills—Tuensang Areas	37,20	..	37,20
	20. State of Pondicherry	3,76,67	—51,56	3,25,11

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
71. Miscellaneous—*concld.*	21. Dadra-Nagar Haveli Area	25	..	25
	22. Goa, Daman and Diu	7,07,41	..	7,07,41
	23. Other Revenue Expenditure of the Ministry of External Affairs	4,82,71	..	4,82,71
	36. Other Revenue Expenditure of the Ministry of Finance	6,42,64	—17,10	6,25,54
	37. Planning Commission	95,23	..	95,23
	46. Other Revenue Expenditure of the Ministry of Food and Agriculture	28,80,26	..	28,80,26
	49. Other Revenue Expenditure of the Ministry of Health	55,49	..	55,49
	58. Delhi	3,06,58	—2,51	3,04,07
	59. Himachal Pradesh	3,14,84	..	3,14,84
	60. Andaman & Nicobar Islands	7,70	..	7,70
	61. Manipur	1,49,79	—3	1,49,76
	62. Tripura	2,79,86	—4	2,79,82
	63. Laccadive, Minicoy and Amindivi Islands	3,19	..	3,19
	64. Other Revenue Expenditure of the Ministry of Home Affairs	1,12,38	—6,56	1,05,82
	67. Other Revenue Expenditure of the Ministry of Information and Broadcasting	14,76	..	14,76
	70. Other Revenue Expenditure of the Ministry of Irrigation and Power	13,06	..	13,06
	74. Other Revenue Expenditure of the Ministry of Labour and Employment	73	..	73
	77. Other Revenue Expenditure of the Ministry of Law	4,30	..	4,30
	80. Other Revenue Expenditure of the Ministry of Mines and Fuel	9,96,82	..	9,96,82
	87. Other Revenue Expenditure of the Ministry of Scientific Research and Cultural Affairs	26,60	..	26,60
	89. Other Revenue Expenditure of the Ministry of Steel and Heavy Industries	1,00	..	1,00
	98. Other Revenue Expenditure of the Ministry of Transport and Communications	49,20	—65	48,55
	104. Expenditure on displaced persons	8,40,69	..	8,40,69
	105. Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation	51,11	—1,00	50,11
	107. Atomic Energy Research	9,36	..	9,36
	110. Other Revenue Expenditure of the Lok Sabha	42	..	42
TOTAL—MISCELLANEOUS		90,08,35	—81,95	89,26,40
TOTAL—MISCELLANEOUS SECTION		1,18,76,78	—7,78,22	1,10,98,56

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount: Gross expenditure (*i.e.*, amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
73. Payments of States' share of Union Excise Duties.	Payments of States' share of Union Excise Duties	1,28,06,99	..	1,28,06,99
74. Grants-in-aid to States	38. Grants-in-aid to States	2,21,80,13	—4,25,37	2,17,54,76
75. Miscellaneous Adjustments between the Union and State Governments.	39. Miscellaneous Adjustments between the Union and State Governments	25,08	..	25,08
76. Other Miscellaneous Contributions and Assignments.	18. Naga Hills-Tuensang Area	2	..	2
	58. Delhi	2,96,50	..	2,96,50
	59. Himachal Pradesh	8,66	..	8,66
	61. Manipur	6,96	..	6,96
	62. Tripura	4,99	..	4,99
TOTAL—OTHER MISCELLANEOUS CONTRIBUTIONS ETC.		3,17,13	..	3,17,13
77. Extraordinary Payments.	36. Other Revenue Expenditure of the Ministry of Finance	45,00,00	..	45,00,00
	70. Other Revenue Expenditure of the Ministry of Irrigation and Power	1,65,73	..	1,65,73
TOTAL—EXTRAORDINARY PAYMENTS		46,65,73	..	46,65,73
78. Pre-partition Payments	40. Prepartition Payments	22,17	..	22.17
78-A—Expenditure Connected with the National Emergency. 1962.	36. Other Revenue Expenditure of the Ministry of Finance	36,06,00	—6,00	36,00,00
	58. Delhi	37,00	..	37,00
	64. Other Revenue Expenditure of the Ministry of Home Affairs	1,86,10	..	1,86,10
	74. Other Revenue Expenditure of the Ministry of Labour and Employment	2,04,80	—1,04,25	1,00,55
	98. Other Revenue Expenditure of the Ministry of Transport and Communications	7,18	..	7,18
TOTAL—EXPENDITURE CONNECTED WITH THE NATIONAL EMERGENCY, 1962.		40,41,08	—1,10,25	39,30,83
79. Defence Services. Effective—Army. 80. Defence Services. Effective—Navy. 81. Defence Services, Effective—Air Force.	9. Defence Services, Effective	7,23,57,65	—16,37,75	7,07,19,90
82. Defence Services, Non-Effective.	10. Defence Services, Non-Effective	18,90,50	..	18,90,50
	TOTAL	19,63,18,07	—93,18,54	18,69,99,53
Add—Railway Expenditure as per Railway Budget.		5,99,95,07	..	5,99,95,07
TOTAL—EXPENDITURE MET FROM REVENUE		25,63,13,14	—93,18,54	24,69,94,60
Posts and Telegraphs— 90. Posts and Telegraphs	99. Indian Posts and Telegraphs Department.	95,67,15	—8,13,35	87,53,80
	100. Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds	19,97,20	..	19,97,20
TOTAL—POSTS AND TELEGRAPHS		1,15,64,35	—8,13,35	1,07,51,00
GRAND TOTAL		26,78,77,49	—1,01,31,89	25,77,45,60

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
	Deduct—Railway Expenditure	5,99,95,07	..	5,99,95,07
TOTAL—EXPENDITURE MET FROM REVENUE AS SHOWN IN DEMANDS FOR GRANTS		20,78,82,42	-1,01,31,89	19,77,50,53
II. Capital Account not met from Revenue—				
93. Capital Outlay on the Security Printing Press.	119. Capital Outlay on the India Security Press	18,58	..	18,58
94. Capital Outlay on Improvement of Public Health.	130. Capital Outlay of the Ministry of Health.	42,66	..	42,66
95. Capital Outlay on Schemes of Agricultural Improvement and Research.	114. Capital Outlay of the Ministry of Commnity Development and Co-operation.	18,00	..	18,00
	129. Other Capital Outlay of the Ministry of Food and Agriculture	2,90,64	—14,10	2,76,54
	TOTAL	3,08,64	—14,10	2,94,54
96. Capital Outlay on Industrial Development.	113. Capital Outlay of the Ministry of Commerce and Industry	11,06,00	..	11,06,00
	124. Other Capital Outlay of the Ministry of Finance.	29,50	..	29,50
	136. Capital Outlay of the Ministry of Mines and Fuel	52,29,80	—1,56,80	50,73,00
	137. Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	2,67,00	..	2,67,00
	138. Capital outlayof the Ministry of Steel and Heavy Industries	1,42,57,00	—19,00	1,42,38,00
	142. Other Capital Outlay of the Ministry of Transport and Communications	97,49	—20	97,29
	146. Other Capital Outlay of the Ministry of Works, Housing & Rehabilitation	15,99	..	15,99
	147. Capital Outlay of the Department of Atomic Energy	16,10,00	—36,40	15,73,60
TOTAL—CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT		2,26,12,78	-2,12,40	2,24,00,38
97. Capital Outlay on Broadcasting.	132. Capital Outlay of the Ministry of Information and Broadcasting	2,97,54	—1,22,54	1,75,00
Capital Account of Multipurpose River Schemes, etc.				
98. Capital Outlay on Multi-purpose River Schemes.	133. Capital Outlay on Multi-purpose River Schemes	10,28,65	..	10,28,65

ANNEXURE XI

(In thousands of Rupees)

Major Head or Account	Number and Name of Demand	Amount: Gross expenditure (*i. e.* amount of Demand)	Amount: Recoveries taken in reduction of expenditure in the Budget	Amount: Net expenditure shown in the Budget
100. Capital Outlay on Irrigation, Nagivation Embankment and Drainage Works (non-Commercial).	134. Other Capital Outlay of the Ministry of Irrigation and Power	39,86	..	39,86
101. Capital Outlay on Electricity Schemes.	134. Other Capital Outlay of the Ministry of Irrigation and Power	2,33,73	—1,59,40	74,33
TOTAL—MULTIPURPOSE RIVER SCHEMES, ETC.		13,02,24	—1,59,40	11,42,84
103. Capital Outlay on Public Works.	139. Capital Outlay on Roads	61,31,21	..	61,31,21
	144. Capital Outlay on Public works.	8,00,00	—1,20,00	6,80,00
TOTAL—CAPITAL OUTLAY ON PUBLIC WORKS		69,31,21	—1,20,00	68,11,21
104. Delhi Capital Outlay.	145. Delhi Capital Outlay	8,00,00	—62,00	7,38,00
108. Capital Outlay on Dandakaranya Development Schemes	146. Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	3,90,00	—44,00	3,46,00
109. Capital Outlay on Other Works..	129. Other Capital Outlay of the Ministry of Food and Agriculture	5,78,72	—5	5,78,67
	136. Capital Outlay of the Ministry of Mines and Fuel	14,00	..	14,00
TOTAL.—CAPITAL OUTLAY ON OTHER WORK		5,92,72	—5	5,92,67
110. Capital Outlay on Ports.	140. Capital Outlay on Ports	7,02,40	—1,06,80	5,95,60
111. Capital Outlay on Lighthouses and Lightships.	142. Other Capital Outlay of the Ministry of Transport and Communications	99,05	—78,60	20,45
112. Capital Outlay on Aviation.	141. Capital Outlay on Civil Aviation	3,65,95	..	3,65,95
113. Capital Outlay on Rail-road Co-ordination Schemes.	142. Other Capital Outlay of the Ministry of Transport and Communications	3,00	..	3,00
114. Capital Outlay on Road and Water Transport Schemes.	142. Other Capital Outlay of the Ministry of Transport and Communications	1,29,00	..	1,29,00
115. Capital Outlay on Overseas Communications Service..	142. Other Capital Outlay of the Ministry of Transport and Communications	48,77	—8,85	39,92

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
116. Capital Outlay on Shipping Tankers, etc.				
	131. Capital Outlay of the Ministry of Home Affairs.	48,22	..	48,22
	142. Other Capital Outlay of the Ministry of Transport and Communications .	85,00	..	85,00
	TOTAL—CAPITAL OUTLAY ON SHIPPING TANKERS, ETC. .	1,33,22	..	1,33,22
117. Capital Outlay on Currency and Coinage.	120. Capital Outlay on Currency and Coinage .	14,34,79	—2,80,35	11,54,44
118. Capital Outlay on Mints. . . .	121. Capital Outlay on Mints	18,52	..	18,52
118-A—Capital Outlay on Kolar Gold Mines .	122. Capital Outlay on Kolar Gold Mines . . .	3,59,32	—24,32	3,35,00
119. Capital Outlay on Forests. . .	127. Capital Outlay on Forests	9,93	..	9,93
120. Payments of Commuted Value of Pensions	123. Commuted value of Pensions	1,07,12	—92,86	14,26
121. Capital Outlay on Sterling Pensions	Capital Outlay on Sterling Pensions . . .	..	—3,73,56	—3,73,56
124. Capital Outlay on Schemes of Government Trading.	113. Capital Outlay of the Ministry of Commerce and Industry .	50,77	—1,53	49,24
	114. Capital Outlay of the Ministry of Community Development and Co-operation . .	13,99	—13,99	..
	116. Capital Outlay of the Ministry of Economic and Defence Co-ordination	1,00	—26	74
	117. Capital Outlay of the Ministry of Education .	1,59	—1,59	..
	118. Capital Outlay of the Ministry of External Affairs	1,23,00	—1,30,60	—7,60
	124. Other Capital Outlay of the Ministry of Finance .	4,07,09	—4,07,09	..
	128. Purchase of Foodgrains	2,57,31,36	—2,07,03,00	50,28,36
	129. Other Capital Outlay of the Ministry of Food and Agriculture . . .	57,06,17	—62,18,06	—5,11,89

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.* amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
124. Capital Outlay on Schemes of Government Trading—*concld.*:	130. Capital Outlay of the Ministry of Health	8,86,85	—8,42,94	43,91
	131. Capital Outlay of the Ministry of Home Affairs	25,13	—25,13	..
	132. Capital Outlay of the Ministry of Information and Broadcasting	1	—1	..
	134. Other Capital Outlay of the Ministry of Irrigation and Power	5,60,77	—1,60,77	4,00,00
	135. Capital Outlay of the Ministry of Labour and Employment	85	—85	..
	137. Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	40,45	—40,45	..
	138. Capital Outlay of the Ministry of Steel and Heavy Industries	37,81	—71,29	—33,48
	142. Other Capital Outlay of the Ministry of Transport and Communications	2,63,88	—263,88	..
	147. Capital Outlay of the Department of Atomic Energy	36,40	—36,40	..
	TOTAL—CAPITAL OUTLAY ON SCHEMES O GOVERNMENT TRADING	3,38,87,12	—2,89,17,84	49,69,28
126. Capital Outlay on Grants for Development	125. Capital Outlay on Grants to States for Development	24,57,83	—8,80,53	15,77,30
	139. Capital Outlay on Roads	1,00,00	..	1,00,00
	146. Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	1,77,30	..	1,77,30
	TOTAL—CAPITAL OUTLAY ON GRANTS, ETC.	27,35,13	—8,80,53	18,54,60

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
127. Capital Outlay on payments of Compensation and rehabilitation grants to Displaced persons.	146. Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	3,25,10	—7,60,05	—4,34,95
128. Transfer of Development Assistance from the Govt. of U.S.A.	124. Other Capital Outlay of the Ministry of Finance	60,00,00	..	60,00,00
	134. Other Capital Outlay of the Ministry of Irrigation and Power	1,55,27	..	1,55,27
	138. Capital Outlay of the Ministry of Steel and Heavy Industries . .	5	..	5
	TOTAL—TRANSFER OF DEVELOPMENT ASSISTANCE, ETC. .	61,55,32	..	61,55,32
129. Payments under Indus Waters Treaty	134. Other Capital Outlay of the Ministry of Irrigation and Power . . .	8,28,90	—1,65,73	6,63,17
130. Defence Capital Outlay	115. Defence Capital Outlay .	1,58,92,00	—20,00	1,58,72,00
134. Capital Outlay on Posts and Telegraphs	143. Capital Outlay on Indian Posts and Telegraphs . .	38,71,61	— 10,71,61	28,00,00
TOTAL—CAPITAL ACCOUNT NOT MET FROM REVENUE .		10,04,02,62	-3,35,15,59	6,68,87,03
d—Railway Capital as shown in Railway Budget .		2,18,50,00	..	2,18,50,00
	TOTAL—CAPITAL .	12,22,52,62	-3,35,15,59	8,87,37,03
Statement of Capital Disbursements of the Central Government.				
P. Loans and Advances by the Central Government—				
Advances to State Governments . . . 5,41,08,25 Other Loans and Advances 1,74,53,99 7,15,62,24	126. Loans and Advances by the Central Government .	7,15,62,24	— 18,63,93	6,96,98,31
Public Debt				
A. Debt raised in India— I. Rupee Debt . 1,80,30,00 II. Floating Debt . 54,09,42,86	Repayment of Debt	56,41,89,94	..	56,41,89,94
B.—Debt raised outside India . . 51,26,67 C. Inter-State Settlement 90,41 56,41,89,94				

ANNEXURE XII

Statement showing the distribution of Civil and Posts and Telegraphs Expenditure met from revenue under broad categories

(In lakhs of Rs.)

	Accounts, 1961-62	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
PART I—CIVIL				
1. SALARIES AND ALLOWANCES (*VIDE* DETAILS BELOW)	98,40	1,16,75	1,10,04	1,21,15
2. CONTINGENCIES	36,27	39,61	43,30	43,65
3. INTEREST CHARGES	2,14,44	2,47,90	2,46,03	2,80,24
4. PENSIONS INCLUDING PRIVY PURSES	10,40	10,63	10,89	10,85
5. GRANTS-IN-AID AND CONTRIBUTIONS :				
(*a*) TO STATE GOVERNMENTS	2,06,80	2,24,31	2,19,41	2,21,80
(*b*) TO OTHERS	67,49	79,35	91,71	96,37
6. STATES' SHARE OF UNION EXCISE DUTIES	80,65	1,14,36	1,24,91	1,28,07
7. CIVIL WORKS INCLUDING ROADS	48,36	50,36	51,33	46,56
8. EXPENDITURE ON DISPLACED PERSONS OTHER THAN GRANTS TO STATES	11,21	9,60	9,60	8,41
9. OTHER EXPENDITURE	1,59,00	2,27,30	2,53,80	2,63,60
TOTAL	9,33,02	11,20,17	11,61,02	12,20,70
DETAILS OF SALARY AND ALLOWANCES				
(*i*) PAY OF OFFICERS	17,21	20,08	20,78	23,18
(*ii*) PAY OF ESTABLISHMENTS	56,10	61,65	58,89	65,70
(*iii*) ALLOWANCES AND HONORARIA :				
(*a*) TRAVELLING ALLOWANCE	5,76	5,94	6,17	6,01
(*b*) DEARNESS ALLOWANCE	6,59	*15,44	8,90	9,48
(*c*) OTHER ALLOWANCES	12,74	13,64	15,30	16.78
TOTAL ALLOWANCES	25,09	35,02	30,37	32,27
TOTAL—SALARY AND ALLOWANCES	98,40	1,16,75	1,10,04	1,21,15

*Includes a lump provision of Rs. 7·38 crores for increase in Dearness Allowance to all Civil and Posts and Telegraphs Departments employees including those paid from contingencies.

PART II—POSTS AND TELEGRAPHS

	Accounts, 1961-62	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
1. SALARIES AND ALLOWANCES (*VIDE* DETAILS BELOW)	48,26	50,80	54,75	57,98
2. CONTINGENCIES	4,83	5,11	5,53	5,85
3. PENSIONS INCLUDING PRIVY PURSES	2,77	2,98	3,35	3,25
4. GRANTS-IN-AID AND CONTRIBUTIONS TO OTHERS	7	7	7	7
5. OTHER EXPENDITURE	38,61	37,49	40,18	48,49
TOTAL	94,54	96,45	1,03,88	1,15,64

DETAILS OF SALARIES AND ALLOWANCES

(*i*) PAY OF OFFICERS	1,35	1,49	1,53	1,73
(*ii*) PAY OF ESTABLISHMENTS	32,33	36,81	34,37	36,93
(*iii*) ALLOWANCES AND HONORARIA:				
(*a*) TRAVELLING ALLOWANCE	68	68	75	75
(*b*) DEARNESS ALLOWANCE	3,66	4,18	6,12	6,11
(*c*) OTHER ALLOWANCES	10,24	7,64	11,98	12,46
TOTAL ALLOWANCES	14,58	12,50	18,85	19,32
TOTAL—SALARY AND ALLOWANCES	48,26	50,80	54,75	57,98

NOTE.—Dearness and other allowances of staff paid from Contingencies are included in Contingencies.

ANNEXURE XIII

Special Development Fund and other Foreign Assistance

The Special Development Fund was started in October, 1951, from the sale proceeds of American Loan Wheat and wheat obtained from Commonwealth countries under the Colombo Plan. Later on, other assistance under the Colombo Plan; the assistance received under the Indo-U.S. Technical Co-operation Agreements; the assistance from Norway for the development of fisheries community; sale proceeds of American Loan Commodities and Assistance under U. S. Public Law 480 were also brought into the Fund. The statement below gives the details of the transactions of the Fund.

(In lakhs of Rupees)

Sub-Major Heads	Opening Balance as on 1-4-61	Actuals, 1961-62		Revised, 1962-63		Budget, 1963-64		Closing Balance as on 31-3-64
		Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	
1	2	3	4	5	6	7	8	9
1. Fund from the sale proceeds of American Loan Wheat	5,92	12,63	8,64	12,95	22,53	11,48	11,48	33
2. Fund from the sale proceeds of wheat received under the Colombo Plan	20,97	4,24	*	2,04	..	1,33	..	28,58
3. Fund from other assistance under the Colombo Plan	32,83	8,96	87	5,45	33	6,05	68	51,41
4. Fund from assistance under the Indo-U.S. Technical Co-operation Agreement Programme	42,37	8,26	26,93	6,71	8,00	3,51	4,51	21,41
5. Fund from assistance from Norway for Fisheries Community Development	..	20	20	30	30	20	20	..
6. Fund from the sale proceeds of American Loan commodities	41,61	6,18	2,53	3,33	..	1,58	..	50, 7
7. Fund from assistance under Public Law 480	73,06	65,68	15,45	1,34,00	15,77	1,05,00	7,70	3,38,82
TOTAL	2,16,76	1,06,15	54,62	1,64,78	46,93	1,29,15	24,57	4,90,72

*Less than Rs. 50,000.

Fund from the sale proceeds of American Loan Wheat.

The net cash realised by the sale of American Loan wheat was credited to this head. The transaction represent payment of loans to the State Governments out of this Fund for development schemes approved in the Plan and repayments thereof.

Fund from the sale proceeds of wheat received under the Colombo Plan.

Net sale proceeds of gift wheat received under the Colombo Plan from Canada and Australia are credited to this head. The fund was utilised for grant of loans to West Bengal and Mysore for the Mayurakshi and Tungabhadra Projects respectively, and also for construction of grain storage godowns at Calcutta. Further gift of Rs. 71 lakhs worth of wheat is expected during the current year.

Fund from other assistance under the Colombo Plan.

The assistance received from Commonwealth countries under the Colombo Plan in the form of equipment, materials, etc. other than wheat is accounted for under this head. Provision has been made next year for receipt of raw materials for industry, equipments for dairy research, news-print, equipment for College of Engineering, Delhi, etc. Provision has also been made for receipt of cash grant from New Zealand for dairy development schemes and receipts on account of repayment of loans by the State Governments.

Material and equipment received are either utilised on Central Government projects or are given to State Governments as loans and grants. In certain cases these are sold and the cash realised is utilised for financing the development plans.

The table below indicates the country-wise details of the assistance expected to be received during the current and the next year under the Colombo Plan:—

(In lakhs of Rupees)

		Budget 1962-63	Revised 1962-63	Budget 1963-64
Australia	Milk Scheme	19	7	5
	Port Equipment	12	*	..
	Reference Books	1	1	..
	Establishment of Phytotran	..	..	5
	Others	..	1	1
Canada	Raw Material	309	3,09	3,50
	Cobalt Beam Therapy Units	4	2	2
	Diesel Switching Locomotives	29	1	..
	Medical Books	2	2	1
	Radio Tele Type Equipment	12	12	..
	News Print	30	55	25
	Canada India Reactor	..	..	37
New Zealand	Dairy & Other Milk Schemes	15	23	6
U.K.	Tractor Testing Equipment	1	1	*
	College of Engineering	10	6	10
	Delhi Polytechnic	1	*	1
	C.S.I.R.	1	1	5
	TOTAL	4,46	4,21	4,48

*Less than Rs. 50 Thousands.

Fund from assistance under the Indo-U.S. Technical Co-operation Agreement Programme.

The estimated costs of the materials and equipments received under the various Agreements with the Technical Co-operation Mission are credited to this head by debt to the head '124—Capital Outlay on Schemes of Government Trading'. As soon as the materials and equipments are made over to the State Governments, either as loans or as grants-in-aid, the capital head is relieved by *per contra* debit to the final head, which is simultaneously cleared by debit to the Fund. Similarly, in the case of schemes run by the Central Government, the debit for the equipment, etc. is adjusted against the head concerned by *per contra* credit to the head mentioned above, the debit being simultaneously cleared by recovery from the Fund. The repayment of loans by the States is credited direct to the Fund for subsequent utilisation on agreed development schemes. Provision has been made next year for the receipt of materials and equipments for the Malaria Eradication Programme and dairy development schemes, Delhi Thermal Plant, etc. Credits for the repayments of the loans by the State Governments have also been assumed.

Fund from assistance from Norway for Fisheries Community Development.

This head records the assistance received from the Government of Norway for fisheries community development in Kerala. The project is managed by the State Government and the equipment received from Norway is given to that Government as grant-in-aid.

Fund from the sale proceeds of American Loan Commodities.

The agreements entered into with the Government of U.S.A. through the Technical Co-operation Mission in March, 1955, July, 1956 and June, 1957 provide for the supply of certain commodities like wheat, cotton, fertilizers, iron and steel, equipments for rural electrification, storage godowns, tube-well casing equipment for malaria control, etc.

The surplus agricultural commodities, *viz.*, wheat and cotton are paid for initially in rupees in India to the representatives of the U.S.A. Government and agreed sums are later paid back by the U.S.A. Government, partly as loan and partly as grant to the Government of India. The loan received from the U.S.A. Government is taken to the head "Public Debt" and grant is credited to Revenue. In both cases equivalent amounts are credited to this Fund by *per contra* debit to the head "128" in the case of loans and to "77—Extraordinary Charges" in the case of grants. The balance in the Fund is utilised on agreed projects.

In the case of other commodities the invoice value of the equipment received on loan account is debited to the head "124—Capital Outlay on Schemes of Government Trading" by *per contra* credit to "Public Debt". As and when the equipment are utilised on central projects or transferred to State Governments as loan or grant, as the case may be, the invoice price is credited to this head by *per contra* debit to "128—Transfer of Development Assistance from the Government of U.S.A.". The estimates include provision for transfer of Rs. 3:31 crores during the current year and Rs. 1·55 crores next year.

Fund from assistance under Public Law 480.

The first Agricultural Commodities Agreement between the Governments of U.S.A. and India under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) was signed in August 1956. Seven subsequent agreements were signed in June, 1958, September, 1958, November, 1959, May, 1960, May, 1962 and November, 1962 (Two Agreements) respectively. Under these agreements certain surplus agricultural commodities like wheat, rice, maize, milo, cotton, tobacco and dairy products are imported from U.S.A. and the rupee equivalent of the cost is paid to the U.S. Government in India. A major portion of the rupees is later made available to the Government of India partly as loan and partly as grant for being utilised upon agreed projects or schemes. Current Budget assumed a credit of Rs. 100 crores—Rs. 60 crores as loan and the balance as grant. Receipts during the current year are now estimated at Rs. 134 crores of which Rs. 80 crores are loans and the balance represents grant. A sum of Rs. 105 crores is expected to be received next year from Government of U.S.A. on this account. Of this Rs. 60 crores will be received as loan and the balance as grant. These receipts will also be transferred to the Special Development Fund as in the case of Surplus Agricultural Commodities mentioned above and necessary provision has been made in the Budget accrdingly.

Some of the projects which are being financed under this programme are Refinance Corporation, Industrial Credit and Investment Corporation, Indian Investment Centre and establishment of Regional Engineering Colleges.

In certain cases grants are given out of the P.L. 480 funds, *e.g.*, Indian Investment Centre, Indian Institute of Technology, Establishment of Regional Engineering Colleges. In others loans are advanced from these funds.

OTHER ASSISTANCE

In addition, foreign assistance is also received from international philanthropic organisations like the Rockfeller Foundation and the Ford Foundation for schemes in the field of education, public health, agriculture, social uplift, etc. These transactions are not passed through the Special Development Fund. During the current year a sum of Rs. 12·39 lakhs has been received from the Ford Foundation. Next Budget provides for a further assistance of Rs. 12·39 lakhs from this source.

Assistance is also received from certain specialised agencies of the United Nations Organisation such as United Nations Technical Assistance administration, United Nations International Children's Emergency Fund, Food and Agricultural Organisation, etc. Some materials and equipment are also received as gift from U.S.S.R. and West Germany.

Total assistance from the various countries and International agencies by way of loans and grants was estimated at Rs. 511·94 crores in the current year's budget estimates. This is now expected to be Rs. 441·92 crores during the current year and Rs. 515·19 crores during the next year. Of this, Rs. 65·50 crores this year and Rs. 52·78 crores next year are estimated to be received as grants and the balance of Rs. 376·42 crores this year and Rs. 462·41 crores next year as loan.

FOREIGN LOANS

A brief description of the loans from friendly foreign Governments and other institutions is given below. Two statements, one showing the amount of loans authorised and the amounts drawn against them and the other, showing the repayments in respect of each loan have been added at the end of this Annexure. Estimates of repayment of loans and outstanding balances are shown in Section II.

I. Loans from the United States of America

(a) *American Wheat Loan.*—A loan of $ 190 million was granted by the United States Government in June, 1951 for the purchase of Wheat. The loan carries interest at 2½ per cent per annum and is repayable in 60 semi-annual instalments beginning from June 30, 1957. The Government of the U.S.A., however, agreed to the postponement of repayment of principal and payment of interest due from 31st December, 1958 to June 30, 1967.

(b) *Development Assistance Loans.*—Under the agreements signed with the Government of the United States of America in 1955, 1956 and 1957 loan assistance of $ 45 million (Rs. 21·43 crores), $ 37·5 million (Rs. 17·86 crores) and $ 47·5 million (Rs. 22·62 crores) respectively has been made available to the Government of India for purchase of material and equipment like Railway rolling stock, steel, fertilizers, tubewell casings, etc. and surplus agricultural commodities like wheat and cotton. These loans are repayable in 73 half-yearly instalments beginning four years after the end of the month in which the first disbursement is made against each loan, except in the case of 1955 loan where the first instalment of repayment fell due on 31st March, 1959. The rate of interest is 3 per cent if paid in U.S. Dollar and 4 per cent if paid in Indian currency. The Government of India have chosen the second alternative. All the three loans have been drawn in full by 1961-62.

Provision of Rs. 9 lakhs and Rs. 24 lakhs in the Revised and the next budget respectively has also been made for repayment of these loans.

(c) *Loans from Development Loan Fund* (now Agency for International Development).—This Fund was established by the United States Government in 1957 for advancing long term dollar loans for developing the economies and increasing the productive capacity of friendly countries. These loans can be repaid in local currency at the borrower's option. The rates of interest on these loans vary from 3½ per cent to 5¾ per cent the loans being repayable in successive semi-annual instalments varying from 9 to 40.

With effect from 4th November, 1961, the Development Loan Fund was absorbed into the newly created Agency for International Development (AID) which is intended to help in the objective of long-range self sustained economic growth of less developed nations.

With the coming into being of the AID, the pattern of assistance also has undergone change inasmuch as loans from this Agency will be repayable in dollars. Such loans will, however, be repayable in 40 years with a moratorium of 10 years. No interest will be charged but there will be only a credit fee of ¾ of 1 per cent on outstanding amounts. The credit fee is also payable in dollars at six monthly intervals until the loan is repaid.

The loans authorised from DLF amount of $ 364·03 million (Rs. 173·33 crores approximately) while AID has authorised so far grant of loan amounting to $ 421·9 million (Rs. 200·90 crores approximately). Against these authorisations, Rs. 108·22 crores were drawn to end of last year. On the basis of present information, Rs. 111·43 crores are expected to be drawn during this current year and Rs. 102·00 crores next year. Provision has also been made for the repayment of 7·49 crores this year and Rs. 9·18 crores next year on the basis of loans drawn so far.

(d) *Loan from the U.S. President's Asian Economic Development Fund.*—Under an agreement entered into on 30th June, 1958, the Government of the U.S.A. agreed to provide a loan of $ 20 million from the U.S. President's Asian Economic Development Fund for the development of the Iron Ore Mines in Orissa. The loan carries interest at 3½ per cent per annum from the end of the month in which first disbursement is made. The principal is repayable in 31 half-yearly instalments beginning three years after the end of the month in which the first disbursement is made. The revised estimates and the next budget assume credits of Rs. 4·24 crores and 2·34 crores on this account.

(e) *Loans under P.L.* 480.—Under Title I of U.S. Government Agricultural Trade Development and Assistance Act of 1954 (commonly known as PL 480) the Government of U.S.A. have entered into eight separate agreements with the Government of India for supply to India of surplus agricultural commodities like wheat, rice, cotton, tobacco etc. worth Rs. 1,156·34 crores against payment in Rupees. The U.S. Government also bears the freight differential resulting from the requirement that 50% of the cargo should be transported in U.S. Flag vessel for which the freight rate is higher.

The Rupee equivalent of the dollar cost of these commodities, plus 50 per cent of the ocean freight in respect of cargo shipped in U.S. Flag Vessels, is deposited in U.S. Government Title Account in India. Out of the rupee accruals a sum not exceeding Rs. 554·73 crores would be made available as loan to the Government of India. Loan agreements amounting to Rs. 518·07 crores have so far been signed. The agreements provide for repayment of principal in 40 years. Interest is payable at rates varying from 3 to 5 per cent. The current year's budget provided for drawal of Rs. 60 crores against this loan, but the receipts are now estimated at Rs. 80 crores. Next Year's budget provides for a receipt of Rs. 60 crores on this account. A provision of Rs. 1 lakh has been made in the revised estimates of the current year and Rs. 6 lakhs in the next year's Budget for repayment of the loan.

II. Loans from U.S. Eximbank

The Export-Import Bank of Washington has so far extended three general lines of credits for a total amount of $ 225 million (Rs. 107·14 crores approximately) to the Government of India for assisting in the financing of imports from U.S.A. of capital equipment and related spares and services in connection with the programme of economic development in India. The Bank has also authorised two loans amounting to $ 14·3 million (Rs. 6·82 crores approximately) jointly with the Boeing Airplane Company to finance the purchase of three Boeing 707 aircrafts by the Air India. Rs. 59·73 crores have already been drawn to end of last year. Provision has been made in the estimates for drawal of Rs. 29·98 crores this year and Rs. 13·11 crores next year. The estimates also include provision for the repayment of Rs. 65 lakhs this year and Rs. 455 lakhs next year.

III. Loans from U.S.S.R.

(a) *Loan for the Bhilai Steel Plant.*—An agreement with the Soviet Government was concluded on 2nd February, 1955 for the establishment of an intergrated Iron and Steel Works at Bhilai for which the Soviet Government provided equipment on credit. The credit is to be repaid in 12 equal annual instalments payable on 15th March of each year following the year in which such credit is raised. The rate of interest is 2½ per cent per annum and the interest will accrue from the date on which each particular credit is raised and will be paid on or before 15th of March of the following year. The credit was fully utilised by 1961-62. The authorised amount of the credit now stands at Rs. 64·74 crores.

A sum of Rs. 23·13 crores has already been repaid upto 1961-62. Provision has been made for repayment of Rs. 9·80 crores during the current year which includes Rs. 5·4 crores due for repayment next year but which is proposed to be prepaid during the current year.

(b) Under 5 other agreements further credits have been provided by the Soviet Government for various purposes indicated below:—

Date of Agreement	Amount of Credit	Purpose
1. 9-11-1957	500 million Roubles (Old) (Rs. 59·53 crores)	Industrial enterprises in India (establishment of heavy machine building plant, a special glass factory, coal mining machinery plant, a thermal power station based on lignite etc.).
2. 29-5-1959	80 million Roubles (Old) (Rs. 9·52 crores)	Establishment of enterprises for the manufacture of drugs, medicines and surgical instruments.
3. 28-9-1959	100 million Roubles (Old) (Rs. 11·91 crores)	Construction of petrolium refinery at Barauni in Bihar State.
4. 12-9-1959	1500 million Roubles (Old) (Rs. 178·58 crores)	Expansion of Bhilai Steel Works; Heavy Machinery Plant; Expansion and diversification of the Mining Machinery Plant; Completion of the Barauni Refinery; Manufacture of Heavy Electric Equipment; Manufacture of Precision Instruments; Exploration development and production of oil and gas; Expansion of the capacity of the Neyveli Power Plant; Expansion of the Korba Thermal Power station and Establishment of a Thermal Power Station at Singrauli.
5. 21-2-1961	112·5 million Roubles (New) (Rs. 59·53 crores)	Bhakra right bank Hydro-electric Power Station; Oil Refinery in Gujarat including Thermal Power Plant; Coal Washery at Kathara (Bihar); Refractories Plant; Exploration, development and production of oil by Oil and Natural Gas Commission in Cambay, Ankleshwar and in other areas; Production of pumps and compressors—Preparation of Techno-economic Report.

The credits in all cases carry interest at the rate of 2½% per annum and repayable, except that under item 2 above, in 12 annual equal instalments. The first such payment falling due a year after completion of

delivery of machinery and equipment for each enterprise. The credit under item 2 is repayable in 7 annual instalments. Necessary credits as shown in the statement amounting to Rs. 38·46 crores in the Revised and Rs. 60·43 crores in Budget have been assumed. Provision for repayment of Rs. 1·08 crores has also been made in the next year's estimates.

IV. Loans from the United Kingdom

(i) *Credit for Durgapur Steel Plant.*—For the purpose of assisting the Government of India in financing the sterling portion of the contract to the Indian Steel Works Construction Co., Limited for the construction of the Steel Works at Durgapur, an Agreement was entered into on the 5th January, 1957 with M/s Lazard Brothers and Co., Ltd. for a credit of £ 11·5 million (Rs. 15·33 crores). The credit is repayable in five semi-annual instalments beginning on 1st January 1962 and carries interest at 1 per cent above the U.K. Bank rate, with a minimum of 4½ per cent per annum. An additional credit of £ 15 million (Rs. 20 crores) has also been afforded by the U.K. Export Credit Guarantee Department for meeting the payments to Suppliers of equipment for the Steel Plant. The loan is repayable in four equal annual instalments commencing from 1st July, 1966 and carries interest at the rate equal to that of similar loans for comparable period from the U.K. Consolidated Fund plus ⅛ of one per cent. Interest on this credit will range between 5⅜% and 5¾% (including administrative charges).

(ii) *Other Credits.*—Apart from the credit for the Durgapur Steel Plant, the Government of U.K. have also extended assistance for the establishment of several capital projects such as Heavy Electricals Plant, Nahorkatiya Oil Pipe Project, Nahorkatiya Fertilizers Plant, Security Paper Mill, Hindustan Cables, etc. A substantial part of the assistance by the U.K. Government has also been in the form of assistance for the import of a variety of machinery and component required for engineering, electrical, chemical and textile industries. Except for Nahorkatiya Oil Pipe Line in which case the loan is repayable in six half-yearly instalments commencing from 30th June, 1964, the other credits are repayable over a period of 20—25 years with a moratorium period varying from 5 to 7 years. Details of the amount authorised under various loans already agreed to and the drawals there against have been indicated in the statement appended.

V. Loans from Canada

(a) *Wheat Loans.*—Under agreements signed on the 20th February, 1958, and 22nd October, 1958 the Government of Canada have provided credits upto $ (C) 33·8 million (Rs. 15·71 crores approximately) for the purchase of Canadian Wheat and flour. The loans are repayable in seven equal annual instalments in Canadian dollars and bear interest at 4¼ per cent per annum. The estimates include repayment of Rs. 60 lakhs during the current year and Rs. 3·89 crores next year.

(b) *Export Credits.*—The Government of Canada has authorised long term export credits of Canadian $ 25 m. to finance import of capital goods from Canada under the provisions of their Export Credits Insurance Act, which will be utilized in implementing projects in the public and private sectors. The repayment will be spread over 15 to 20 years. The rate of interest will be related to the prevailing current rate plus a small charge to cover administrative and other expenses. The term of the credits will, however, be settled in detail for each contract separately. The present

indications are that a sum of Canadian $ 19·7 m. (Rs. 8·68 crores) will be utilised by public sector undertakings and will pass through Government account. A provision of Rs. 1·50 crores has been made in next year's budget estimates.

VI. Loans from the Federal Republic of Germany

An Agreement providing for a credit of DM 660 million (Rs. 77·79 crores approximately) for the Rourkela Steel Plant was entered into in February, 1958 with Federal Republic of Germany. The loan was repayable over a period of three years along with interest at 6 per cent per annum and an administrative charge of 0·3 per cent. Further credits have also been afforded by the Federal Republic of Germany for financing part of the repayments falling due in respect of Rourkela Credit. In addition, credits have been afforded for financing purchase of capital goods which are 'untied' both as regards projects and source of procurement. The Rourkela Prolongation Credits carry interest at 5·5 to 5·75 per cent and are repayable over a period of 12 to 13 years except in the case of the credit for DM 98·36 million agreed to in January 1961 which is repayable after a period of 4 years. The other credits from the Federal Republic of Germany relating to capital goods are repayable over a period of 20 years and carry interest at varying rates from 3 to 6½ per cent. Details of the amounts authorised under each of the Agreements entered into so far and drawals thereagainst are given in the statement appended.

VII. Loans from Japan

Two Agreements have been signed with the Japanese Government on the 4th February, 1958 and 18th August, 1961 for a credit of 18 billion Yen (Rs. 23·81 crores) and 28·8 billion Yen (Rs. 38·10 crores) respectively to be made available through Japanese Export-Import Bank. The loans are intended for purchase in Japan of railway, power, coal and iron ore mining and processing equipment, ships, port equipment, machine tools and other industrial machinery as may be agreed between the two Governments from time to time. The first loan has to be repaid within ten years from the date of drawal and carries interest determined on the basis of normal level of interest charged by the World Bank which is at present 5¾ per cent, while the second loan which carries interest at 6 per cent is repayable in 20 semi annual instalments commencing from 1st February, 1967.

The revised estimates of the current year assume credit for Rs. 4·18 crores and for the budget estimates of the next year a provision of Rs. 10·52 crores has been made in respect of these loans. A provision of Rs. 26 lakhs and Rs. 1·71 crores has also been made in the current and next year's budget for the repayment of the first loan.

VIII. Loans from Switzerland

A Credit Agreement for 100 million Swiss Francs (Rs. 10·90 crores) was signed on the 30th July, 1960 with the Government of Swiss Confederation, which has since been raised to 110 m. Swiss Francs (Rs. 11·98 crores), by a letter of exchange dated the 4th July, 1962. This credit will be available to meet 90 per cent of the payments to suppliers in Switzerland for imports of agreed capital goods and machinery from that country

required for India's development programmes. The credit will be in two parts: (i) An instalment of 60 million Swiss Francs immediately after signature of the Agreement and (ii) the second instalment of 50 million Swiss Francs at a later date by mutual agreement. The credit is to be provided by a consortium of Swiss Banks on mutually agreed terms. Each transfer credit is to be repaid within a period of 10 years from the date it is made use of. No repayment will be required during the first three years and the credit is to be repaid in equal half-yearly instalments over the remaining seven years.

Supplementary agreements were signed on the 18th November, 1960 and 14th May, 1962 with a consortium of Swiss Banks for credit facilities upto the amount necessary to finance the first and second instalments of 60 million Swiss Francs and 50 million Swiss Francs respectively. The rate of interest would be 3¾ per cent above the official discount rate of the Swiss National Bank. A credit of Rs. 50 lakhs and Rs. 4 crores has been assumed in the current and next year's budget respectively on this account.

IX. Loans from Czechoslovakia

An Agreement with the Government of Czechoslovakia was signed on the 24th November, 1959 for a credit of Rs. 23·1 crores to finance the machinery and equipment needed for the Third Stage of the Foundry Forge Plant, a Heavy Machine Tools Building Plant, a Heavy Electrical Plant and such other Industrial Projects as may be mutually agreed upon. The credit carries interest at the rate of 2½ per cent per annum and is repayable in eight equal yearly instalments, the first instalment being payable one year after presentation of the final invoice and other documents in respect of the last delivery of machinery and equipment for putting the plant into operation. A credit of Rs. 50 lakhs in the current and Rs. 2·20 crores in the next year's budget has been assumed on this account.

X. Loans from Yugoslavia

An Agreement was signed on the 21st January, 1960 with the Government of Yugoslavia for a credit of Rs. 19·05 crores. This credit is available for the purchase of ships and for import of capital goods and equipment for power projects to be mutually agreed upon. The credit bears an interest of 3 per cent per annum and is repayable in equal consecutive semi-annual instalments within the periods to be specifically agreed upon in the case of each contract. The revised estimates and next Year's budget assume credit of Rs. 25 lakhs and Rs. 3 crores respectively on this account.

XI. Loans from Poland

(a) *First Credit for Third Plan.*—An Agreement was signed on the 7th May, 1960 with the Government of the Polish Peoples' Republic for a credit of Rs. 14·30 crores for import of Machinery and equipment for construction of industrial plants to be mutually agreed upon. The credit bears an interest of 2½ per cent per annum and is repayable in eight equal yearly instalments, the first instalment being payable one year after the date of final invoice and other stipulated documents concerning the last

shipment of machinery and equipment for putting the plant into operation. A credit of Rs. 50 lakhs has been taken for the current year's revised estimates and Rs. 1·55 crores next year.

(b) *Second Credit for Third Plan.*—An agreement was signed on the 16th November, 1962 with the Government of the Polish Peoples' Republic for a credit of Rs. 15·5 crores to finance import of machinery, equipment and services for coal mines and other projects as may be mutually agreed upon. The credit bears an interest of 2½ per cent per annum and is repayable in 8 equal yearly instalments, the first instalment being repayable on the expiry of one year after the date of invoice and other stipulated documents concerning the last lot of shipment of machinery and equipment for putting the plant into operation.

A provision of Rs. 10 lakhs has been made in the budget estimates for 1963-64.

XII. Loans from Austria

An agreement was signed on the 23rd November 1962, with the Government of Austria for a credit of 130 million Austria Schillings (Rs. 2·38 crores) for purchase of Austrian goods out of the resources of the Austrian E.R.P.-Fund. The credit is repayable in twenty equal and consecutive half yearly instalments, the first instalment commencing on the 1st January, 1965. It carries interest at the rate of 6 per cent per annum. Next year's budget assumes credit of Rs. 1·00 crore on account of this loan.

XIII. Loans from Kuwait

Special Indian notes and Indian coins which were in circulation in Kuwait ceased to be legal tender with effect from 1st April, 1961 and a new local currency 'Dinar' introduced from that date replaced them. According to the agreement signed on 20th March, 1961 with the Government of Kuwait the Indian Currency exchanged by the Government of Kuwait and returned to the Reserve Bank of India has been transferred to the Government of India and the amount so transferred treated as a loan from the Government of Kuwait to the Government of India repayable in Sterling. This loan amounting to Rs. 34·19 crores is to be repaid in eleven annual instalments, beginning from the 1st July, 1961. Interest at the rate of 4¾ per cent is payable on the outstanding balance from time to time.

A provision of Rs. 2·63 crores has been made in the revised estimates of the current year and Rs. 3·21 crores in the next year's Budget for repayment of the loan.

XIV. Loans from the International Bank for Reconstruction and Development

The I. B. R. D. has been granting loans for various development projects in India since 1949. The aggregate value of the loans to the Central Government direct is Rs. 232·35 crores and comprise six separate loans for the Railways aggregating Rs. 179·91 crores, three loans for the D.V.C. totalling Rs. 23·44 crores and one of Rs. 8·90 crores for the Koyna Project in Bombay and one of Rs. 16·67 crores for development of private Collieries (Coal Industry). The Agricultural Machinery Project Loan of Rs. 3·43 crores, has since been completely repaid. A major portion of the

first loan for the Railways has also been repaid. The period of loans varies from 10 to 25 years generally. The rate of interest for these loans varies from 4 to 6 per cent per annum. Anticipated receipts against the various existing loans during the current year and the next year have been taken at Rs. 25·04 crores and Rs. 12·96 crores respectively. Provision has also been made for repayment to the Bank of Rs. 6·44 crores and Rs. 8·56 crores respectively during the current and the next year in respect of the loans.

XV. Loans from the International Development Association

The International Development Association, an affiliate of I. B. R. D., has been providing capital to developing countries on terms which are more flexible and bear less heavily on their balance of payments position. It has, upto the end of November, 1962, extended credits to the Government of India totalling Rs. 101·18 crores for construction of National Highways (Rs. 28·57 crores), Tubewell Irrigation Scheme in U.P. (Rs. 2·86 crores) Shetrunji Irrigation Project in Gujarat (Rs. 2·14 crores), Salandi Irrigation Project in Orissa (Rs. 3·81 crores), Punjab Drainage Project (Rs. 4·76 crores), D. V. C. (Fourth Project) (Rs. 8·81 crores), Sone Irrigation Project in Bihar (Rs. 7·14 crores), Purna Irrigation Project in Maharashtra (Rs. 6·19 crores), Koyna Project (Second Stage) (Rs. 8·33 crores), Development of Bombay Port (Rs. 8·57 crores) and Development of Telecommunications in India (Rs. 20·00 crores). These credits are repayable in 80 semi-annual instalments, repayment commencing after a moratorium of 10 years. No interest charges are payable. A service charge of ¾ per cent per annum is, however, levied on the outstanding balances to meet the Association's administrative expenses. Revised estimates of the current year and budget estimates of the next year assume credit of Rs. 13·97 crores and Rs. 35·03 crores respectively on account of these credits.

XVI. New Credits

In addition to the various loans mentioned above, some other loans are likely to be authorised during the current and next year. *Ad hoc* credits of 5 crores in the revised estimates 1962-63 and Rs. 115 crores in the budget estimates for 1963-64 have been assumed on this account.

FOREIGN LOANS

Statement of Receipts

In lakhs of Rupees

Details of Loan	Amount of loan authorised	Actuals upto 1955-56	Actuals from 1956-57 to 1960-61	Actuals 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
1	2	3	4	5	6	7	8
(A)—COUNTRIES :							
I—*Loans from U.S.A.* :							
(i) American Wheat Loan	90,31	90,31	..	..	..	..	..
(ii) Development Assistance Loans	61,91	2,29	55,73	3,89	..	..	..
(iii) Development Loan Fund (now AID Loans)	3,74,24	..	76,88	31,34	48,91	1,11,43	1,02,00
(iv) Asian Economic Development Fund Loan	9,02	..	2	1,98	4,00	4,24	2,34
(v) P. L. 480	5,18,07	..	77,88	54,71	60,00	80,00	60,00
TOTAL	10,53,55	92,60	2,10,51	91,92	1,12,91	1,95,67	1,64,34
II—*U. S. Export Import Bank Loan* :							
(i) First Loan	71,43	..	28,14	25,18	6,76	18,00	11
(ii) Second Loan	23,81	..	..	..	15,81	9,57	8,00
(iii) Third Loan	11,90	..	..	..	..	..	5,00
(iv) Loans to Air India International :							
(a) First Loan	2,29	..	..	2,24	..	5	..
(b) Second Loan	4,53	..	..	2,17	3,67	2,36	..
TOTAL	1,13,96	..	28,14	29,59	26,24	29,98	13,11

1	2	3	4	5	6	7	8
III—*Loans from U.S.S.R.* :							
(i) Bhilai Loan	64,74	..	64,73	1	..	..	..
(ii) Industrial Enterprises	59,53	..	8,08	13,43	22,00	11,84	9,75
(iii) Drugs Credit	9,52	..	..	37	3,00	1,00	3,00
(iv) Barauni Credit	11,91	..	43	70	7,50	9,10	1,68
(v) First Credit for Third Plan	178,58	..	1,80	9,87	17,00	15,27	41,50
(vi) Second Credit for Third Plan	59,53	..	..	..	5,63	1,25	4,50
TOTAL	3,83,81	..	75,04	24,38	55,13	38,46	60,43
IV—*U.K. Credits* :							
(a) U. K. Government Loans :							
(i) Durgapur	20,00	..	20,00	..	..	..	..
(ii) Second E.C.G.D. Credit	38,00	..	38,00	..	..	..	..
(iii) U. K.—India (Oil Pipeline) Credit	4,00	..	3,19	75	..	5	1
(iv) U. K.—India (General) Credit, 1959	25,33	..	25,33	..	..	..	..
(v) First U. K.—India (General) Credit, 1960	13,33	..	13,33	..	..	..	..
(vi) Second U. K.—India (General) Credit, 1960	6,67	..	6,67	..	..	..	..
(vii) First U. K.—India (General) Credit, 1961	13,33	..	..	13,33	..	..	..
(viii) U. K.—India (Five Year Plan) Credit, 1961	40,00	..	..	2,23	13,33	16,25	12,00

Second U.K.—India (General) Credit, 1961	6,67	..	..	6,67	..	..	..
(x) First U.K.—India (General) Credit, 1962	13,33	..	..	..	..	6,67	6,66
(xi) U. K.—India (Durgapur Extension) Credit, 1962	29,33	..	..	..	..	1,00	8,00
(xii) Second U.K.—India (General) Credit, 1962	6,67	..	..	..	..	6,67	..
(xiii) U. K.—India (Five Year Plan) Credit, 1962.	17,33	..	..	..	..	1,00	5,00
(b) *Lazard Bros.*	15,33	..	15,33	..	..	..	..
TOTAL	2,49,32	..	1,21,85	22,98	13,33	31,64	31,67
V—*Loans from Canada* :							
(i) Wheat Loan	15,71	..	15,71	..	..	..	..
(ii) Credit for Third Plan	8,67	..	..	..	..	..	1,50
TOTAL	24,38	..	15,71	..	..	..	1,50
VI—*Loans from Federal Republic of Germany* :							
(i) Rourkela Credit	77,79	..	61,30	6,49	1,19	7,71	..
(ii) DM 168 million Credit	19,05	..	19,05	..	..	..	..
(iii) First D. M. 125·1 million Credit	14,18	..	14,18	..	..	..	..
(iv) Second D.M. 125·1 million Credit	14,18	..	14,18	..	..	..	..
(v) Rourkela Prolongation Credit (First)	11,16	..	..	11,16	..	..	..
(vi) Rourkela Prolongation Credit (Second)	27,38	..	..	27,38	..	..	..
(vii) DM 100 million Credit, 1961	11,90	..	..	11,90	..	..	..
(viii) DM 170 million Credit, 1961	20,24	..	..	20,24	..	..	..
(ix) Rourkela Prolongation Credit (Third)	10,12	..	..	..	..	10,12	..
(x) DM 100 million Credit, 1962	11,90	..	..	..	..	11,90	..
(xi) DM 264 million Credit, 1962	31,50	..	..	..	..	1,00	6,00
TOTAL	2,49,40	..	1,08,71	77,17	1,19	30,73	6,00

1	2	3	4	5	6	7	8
VII—*Loans from Japan*:							
(i) Export-Import Bank Credit, 1958	22,07	..	14,93	5,41	..	1,21	52
(ii) 28·8 billion Yen Credit for Third Plan	38,10	..	..	..	15,93	2,97	10,00
TOTAL	60,17	..	14,93	5,41	15,93	4,18	10,52
VIII—*Loans from Switzerland*:							
Credit for Third Plan	11,98	..	..	..	2,00	50	4,00
IX—*Loans from Czechoslovakia*:							
Credit for Third Plan.	23,10	..	..	..	60	50	2,20
X—*Loans from Yugoslavia*:							
Credit for Third Plan	19,05	..	..	..	2,33	25	3,00
XI—*Loans from Poland*:							
(i) First Credit for Third Plan	14,30	..	..	3	1,25	50	1,55
(ii) Second Credit for Third Plan.	15,50	..	..	..	..	..	10
TOTAL	29,80	..	..	3	1,25	50	1,65
XII—*Loans from Austria*:							
Credit for Third Plan.	2,38	..	..	..	..	..	1,00
III—*Loans from Kuwait Government*	34,19	..	..	34,19	..	..	..

B—INTERNATIONAL AGENCIES :

XIV—*I.B.R.D. Loans* :

(i) Agricultural Machinery Project Loan	3,43	3,43	..	..			..
(ii) Railways Project Loan—I	15,62	15,62	.				.
(iii) Railways Project Loan—II	42,86	..	42,86				
(iv) Railways Project Loan—III	40,48	..	40,48	..			.
(v) Railways Project Loan—IV	23,81	..	23,81	..	..		.
(vi) Railways Project Loan—V	33,33	..	6,88	26,45			
(vii) Railways Project Loan—VI	23,81	..	.	1,24	21,43	22,57	..
(viii) D.V.C.—I	7,96	7,96	.	..	..	..	..
(ix) D.V.C.—II	5,00	1,96	3,04	..	..	..	..
(x) D.V.C.—III	10,48	.	8,67	54	61	30	41
(xi) Koyna Project Loan (First Stage)	8,90	..	4,35	1,17	1,20	1,37	1,55
(xii) Coal Industry	16,67	..	..	..	12,00	80	11,00
TOTAL	2,32,35	28,97	1,30,09	29,40	35,24	25,04	12,96

XV—*I. D. A.* :

(i) Roads Project	28,57	..	..	1,23	10,00	6,59	12,00
(ii) U. P. Tube-well Project	2,86	..	..	..	1,20	1,20	1,60
(iii) Shetrunji Irrigation	2,14	..	..	..	50	80	1,00
(iv) Salandi Irrigation	3,81	..	..	..	1,00	77	80
(v) Punjab Drainage	4,76	..		..	1,00	1,25	2,00

1	2	3	4	5	6	7	8
(vi) D. V. C.—IV	8,81	..	..	..	..	4	1,25
(vii) Sone Irrigation	7,14	..	..	..	..	70	3,00
(viii) Purna Irrigation	6,19	..	..	..	..	75	1,00
(ix) Koyna Project (Second Stage)	8,33	..	..	..	..	32	2,00
(x) Bombay Port	8,57	..	..	..	..	75	1,38
(xi) P. T. T.	20,00	..	..	..	..	80	9,00
TOTAL	1,01,18	..	..	1,23	13,70	13,97	35,03
XVI—*New Credits*:	..	..	..	..	1,75,15	5,00	1,15,00
GRAND TOTAL	25,88,62	1,21,57	7,04,98	3,16,30	4,55,00	3,76,42	4,62,41

FOREIGN LOANS

Statement of repayments

(In lakhs of Rupees)

Details of Loan	Actuals upto 1955-56	Actuals from 1956-57 to 1960-61	Actuals 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A—*Countries* :						
I.—Loans from U.S.A. :						
(i) American Wheat Loan	..	1,63	..	..	..	..
(ii) Development Assistance Loans	..	7	7	13	9	24
(iii) AID Loans	..	5,15	4,36	7,91	7,49	9,18
(iv) P. L. 480 Loans	..	..	..	1	1	6
TOTAL	..	6,85	4,43	8,05	7,59	9,48
II.—U. S. Export-Import Bank Loans :						
(i) Exim Loan—I	..	..	..	..	..	3,57
(ii) Loans to A.I.I.						
(a) First Loan	..	..	16	33	33	33
(b) Second Loan	..	..	..	32	32	65
TOTAL	..	..	16	65	65	4,55
III.—Loans from U.S.S.R. :						
(i) Bhilai Loan	..	16,73	6,40	5,36	9,80	..
(ii) First Credit for Third Plan.	..	..	..	..	..	1,08
TOTAL	..	16,73	6,40	5,36	9,80	1,08
IV.—U. K. Credits :						
(b) Lazard Bros.	..	..	2,00	6,00	6,00	7,33
—Loans from Canada :						
(i) Canadian Wheat Loan —I	..	1,64	1,65	1,64	..	3,29
(ii) Canadian Wheat Loan—II	..	..	60	60	60	60
TOTAL	..	1,64	2,25	2,24	60	3,89

Details of Loan	Actuals upto 1955-56	Actuals from 1956-57 to 1960-61	Actuals 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
(1)	(2)	(3)	(4)	(5)	(6)	(7)
VI.—Loans from Federal Republic of Germany :						
(i) Rourkela Credit .	..	5,58	42,17	12,38	13,01	7,40
(ii) DM 168 m. Credit	..	..	..	95	47	47
(iii) DM 100 m. Credit 1961 . . .	..	..	..	..	..	3,57
TOTAL . .	..	5,58	42,17	13,33	13,48	11,44
VII.—Loans from Japan:						
Export-Import Bank Credit of 1958 .	..	..	..	15	26	1,71
VIII. Kuwait Loan . .	..	..	2,63	2,56	2,64	3,21
B.—*International Agencies* :						
I. I.B.R.D. Loans.						
(i) Agricultural Machinery Project Loan . .	2,87	56	..	..	..	..
(ii) Railways Project Loan I . .	5,40	5,59	1,26	1,31	1,31	1,36
(iii) Railways Project Loan II . .	..	..	2,74	2,89	2,90	3,06
(iv) Railways Project Loan III . .	..	..	..	75	75	1,57
(v) Railways Project Loan IV . .	..	..	..	41	41	86
(vi) Railways Project Loan V . .	..	..	.	..	..	59
(vii) D. V. C.—I .	41	2,13	48	49	50	52
(viii) D.V.C.—II .	..	75		18	8	19
(ix) D.V.C.—III .	..	..	39	39	39	42
TOTAL . .	8,68	9,03	5,04	6,42	6,44	8,57
GRAND TOTAL .	8,68	39,83	65,08	44,76	47,46	51,20

ANNEXURE XV

Investments in Government Commercial and Industrial Undertakings and returns therefrom.

This Annexure is intended to show at one place the profits of Government commercial and industrial undertakings whether set up under any statute or under Indian Companies Act, 1956 and the returns accruing to Government therefrom. The Annexure excludes concerns which are run departmentally like Railways, and Posts and Telegraphs and those which are not of a commercial or industrial nature like the Reserve Bank of India, Life Insurance Corporation, Industrial Financial Corporation, National Cooperative Development and Warehousing Board, etc. Likewise, it excludes concerns in which Government of India do not hold majority investment. For proper appreciation, the Annexure has been divided into four Sections. Section I includes undertakings which are still under construction; Section II includes undertakings which though completed have not as yet been fully commissioned; Section III includes undertakings which are running concerns, and Section IV includes undertakings which are of promotional or developmental nature.

ANNEXURE XV

Statement showing investments in Government Commercial and Industrial Undertakings and returns therefrom

(In lakhs of Rupees)

Sl. No.	Name of the Undertaking	Investment in share Capital	Net Profit earned during 1961-62*	Appropriations: Dividend	Appropriations: General and other Reserve Funds	Appropriations: Development Rebate	Appropriations: Other appropriations	Dividend/ Profit received by Govt. during 1961-62	Revised Estimates 1962-63: Capital Investment	Revised Estimates 1962-63: Dividend/ Profit expected to accrue to Govt.	Budget Estimates 1963-64: Capital Investment	Budget Estimates 1963-64: Dividend/ Profit expected to accrue to Govt.
	1	2		4	5	6	7	8	9	10	11	12
	I.—UNDERTAKINGS UNDER CONSTRUCTION.											
	Ministry of Commerce & Industry.											
1	Hindustan Organic Chemicals Ltd.	95 (30)	..	..	..	..	..	..	1,00	..	30	..
2	Hindustan Photo Film Manufacturing Co. Ltd.	60	..	..	..	..	..	..	90	..	1,35	..
3	Indian Drugs & Pharmaceuticals Ltd.	80	..	..	..	..	..	..	3,00	..	8,00	..
	Ministry of Mines and Fuel.											
1	Indian Refineries Ltd.	17,10	..	..	..	..	..	..	12,30	..	..	..
2	Neyveli Lignite Corpn. Ltd.	75,26	—	..	..	..	..	..	4,74	..	..	..
3	National Mineral Dev. Corpn. Ltd.	3,42	—	..	..	..	..	..	2,50	.	2,30	..

Ministry of Steel and Heavy Industries.											
1 Heavy Electricals Ltd.	23,50	..	..	..	..	..	..	3,00	..	6,00	..
2 Heavy Engineering Corporation Ltd.	21,65	..	..	..	..	..	..	30,00	..	27,00	..
Ministry of Transport and Communications.											
1 Hindustan Teleprinters Ltd.	50	..	..	..	..	..	..	24	..	..	..
TOTAL	1,43,78 (30)	..	..	..	..	..	..	57,68	..	44,95	..
II—COMPLETED UNDERTAKINGS NOT FULLY COMMISSIONED.											
Ministry of Steel and Heavy Industries.											
1 Hindustan Steel Ltd.	3,07,00	—19,47	..	..	..	18,87	..	64,59	..	1,00,00	..
TOTAL	3,07,00	—19,47	..	..	..	18,87	..	64,59	..	1,00,00	..
III—RUNNING CONCERNS.											
Ministry of Commerce and Industry											
1 Hindustan Antibiotics Ltd.	2,47	77	15	51	10	..	15	..	30	..	35
2 Hindustan Cables Ltd.	1,25	11	8	1	1	2	20	75	3	..	3
3 Hindustan Insecticides Ltd.	97	16	..	..	..	..	..	..	..	..	..
4 Hindustan Salt Ltd.	1,67	12	..	..	..	..	..	..	..	13	..
5 Nahan Foundry Ltd.	40	..	..	..	..	..	..	..	..	..	..
6 National Instruments Ltd.	1,06	2	..	..	1	1	2	..	2	..	2

ANNEXURE XV—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
7 National Newsprint & Paper Mills Ltd.	4,95 (2,40)	47	..	..	..	6	..	..	..	..	..
8 State Trading Corporation of India	2,00	2,02	20	1,83	..	..	20	..	20	..	20
Ministry of Defence											
1 Garden Reach Workshop Ltd.	80	3	..	..	..	..	..	..	..	30	..
2 Hindustan Aircraft Ltd.	20,00 (60)	73	..	39	31	..	..	..	..	..	..
3 Mazagon Docks Ltd.	73	9	..	2	1	..	..	50	..	50	..
4 Bharat Electronics Ltd.	5,21	24	..	..	2	22	..	..	..	..	..
Ministry of Mines and Fuel											
1 National Coal Development Corporation	30,82	—16	..	..	..	10	..	4,00	..	10,00	..
2 Indian Oil Co. Ltd.	2,97	—14	..	..			..	50	..	1,75	..
Ministry of Steel and Heavy Industries											
Fertilizer Corporation of India	39,63	14	39	5	12	..	..	2,45	..	7,86	..
2 Hindustan Machine Tools Ltd.	6,56	1,28	53	40	23	10	53	1,50	53	..	65
3 Praga Tools Corporation Ltd.	1,51 (67)	—4	..	..	..	..	..	..	..	..	..
Ministry of Transport & Communications											
1 Hindustan Shipyard Ltd.	5,79	..	..	..			..	59	..	41	..
2 Indian Telephone Industries Ltd.	4,00 (41)	25	14	6	5	..	13	..	13	..	3

3	Air India	12,60	65	.	43	.	27	.	1,51	..	.	
4	Indian Air Lines Corporation	9,61	9	..	.	..	1	..	2,76	..	46	..
5	Shipping Corporation of India Ltd.	23,45	1,05	.	75	30				..	..	
6	Mogul Line Ltd.	1,01 (20)	17	8	12	..	..	6	..	6	..	6
	Ministry of Works, Housing & Rehabilitation											
1	Hindustan Housing Factory Ltd.	40	5	1	3	..	.	..	..	..	4	..
2	National Building Construction Corporation Ltd.	34	—1	..	..	..	.		38	..	12	—
3	Ashoka Hotels Ltd.	1,50 (16)	27	5	..		.	5	..	5	—	..
	Department of Atomic Energy											
1	Indian Rare Earths Ltd.	1,00 (36)	4	..	..		..		36	..	..	..
2	Travancore Minerals, Ltd.	50 (25)	6	3	4	..	..	1	..	1	..	1
	TOTAL	1,83,20 (5,05)	8,46	1,66	4,64	1,16	79	1,35	15,30	1,33	21,57	1,45
	IV.—PROMOTIONAL & DEVELOPMENTAL UNDERTAKINGS											
	Ministry of Commerce and Industry											
1	Export Risk Insurance Corporation	50	..	..	..	..	..	..	..	..	..	..
2	National Industrial Development Corporation	35	..	..	..	..	..	..	10	..	20	..

ANNEXURE XV—*concld.*

1	2	3	4	5	6	7	8	9	10	11	12
3 Indian Handicrafts Development Corporation	12	..	..	..	..	..	..	..	..	..	..
4 National Small Industries Ltd. . .	40	..	..	..	..	..	..	10	..	..	..
5 Rehabilitation Industries Corporation . .	50	..	..	..	..	..	..	35	..	35	..
Ministry of Food and Agriculture.											
1 Central Warehousing Corporation . .	2,97 (98)	..	..	..	..	..	..	..	..	1,00	..
TOTAL . .	4,84 (98)	..	..	..	..	..	..	55	..	1,55	..
GRAND TOTAL . .	6,38,82 (6,33)	—11,01	1,66	4,64	1,16	19,66	1,35	1,38,12	1,33	1,68,0	1,45

Note.—The figures in brackets are for investment other than by Govt.

*Net profit is before writing off the Deferred Revenue Expenditure, which is shown under 'Other appropriations'.

PUBLIC BORROWINGS IN INDIA

The statement below compares the receipts on account of Rupee Loans (including Annuity Certificates and Prize Bonds) floated and discharged during the 5 years ending 1962-63 as compared with the figures assumed in the respective Budget Estimates:—

(In lakhs of Rupees)

	1958-59		1959-60		1960-61		1961-62		1962-63	
	Floated	Discharged	Floated	Discharged	Floated	Discharged	Floated	Discharged	Floated	Discharged
Rupee Loans—										
Budget Estimates.	1,46,65	20,15	2,26,20	1,17,67	2,52,00	1,09,00	2,36,50	1,37,50	2,60,70	1,82,85
Actuals	2,02,56@	21,23	3,79,62	1,16,98	2,47,03	1,09,37	2,56,52	1,37,88	3,42,37*	1,83,25*

*Revised Estimates.

@Excludes Rs. 300 crores of *ad hoc* treasury bills converted into dated securities.

The net realisations during 5 years ending 1962-63, would amount to Rs. 859·39 crores.

ANNEXURE XVII

UNFUNDED DEBT

The statement below gives the credits and debits, during the years from 1958-59 to 1962-63, under the head 'Unfunded Debt':—

(In lakhs of Rs.)

	Credit	Debit	Net credit
Budget, 1958-59	3,44,33	2,26,30	1,18,03
Actuals, 1958-59	3,34,31	2,37,20	97,11
Budget, 1959-60	3,71,53	2,66,15	1,05,38
Actuals, 1959-60	3,59,93	2,53,94	1,05,99
Budget, 1960-61	3,95,76	2,68,22	1,27,54
Actuals, 1960-61	6,55,31	2,67,66	3,87,65
Budget, 1961-62	5,29,66	2,89,97	2,39,69
Actuals, 1961-62	4,82,19	3,00,41	1,81,78
Budget, 1962-63 . .	5,50,53	3,17,38	2,33,15
Revised, 1962-63	5,10,67	3,21,22	1,89,45

The total net realisations on account of State Provident Funds, Post Office Savings Bank Deposits, National Savings Certificates, P.L. 480 Deposits, Defence Deposit Certificates, National Defence Certificates and other items falling under the head "Unfunded Debt" during the 5 years ending March, 1963 would amount to Rs. 961·98 crores.

ANNEXURE XVIII

Statement showing the guarantees given by the Central Government and outstanding as on 31st December, 1962.

Serial No.	Name of the Public or Other body for whom guarantee has been given	Authority for giving guarantee and date of sanction, etc.	Nature and Extent of the guarantee	Rate of interest involved, if any, (Percentage per annum)	Maximum amount guaranteed (In thousands of Rupees)	Sums guaranteed outstanding on 31-12-62 (In thousands of Rupees)	Whether any securities are pledged to Govt. as a set off against the guarantee	Remarks
1	2	3	4	5	6	7	8	9
			MINISTRY OF COMMERCE AND INDUSTRY					
1	State Commercial Bank of Burma, Rangoon.	Ministry of Finance U.O. S/25/ECI. Fin. III/62, dated 25-10-62.	The guarantee is in respect of the grant of overdraft facilities to the State Commercial Bank, Rangoon by the State Bank of India.	..	27,00	21,00	No.	The guarantee is valid upto 31-3-63
2	National Industrial Development Corporation Ltd.	Ministry of Commerce and Industry letter No.1(7)-NIDC 59, dated 12-9-59	Guarantee for overdraft arrangement with the State Bank of India to the extent of Rs. 25 lakhs.	½% above State Bank advance rate subject to a minimum of 4½ % p.a.	25,00	Nil	No.	

1	2		4	5	6	7	8	9
3	(*i*) National Small Industries Corporation Ltd., Bombay.	Government of India M/C & I letters No. 8 SSI (A)(36) 57, dated 7-2-62.	The Government of India have given continuing guarantees of Rs. 30 lakhs, Rs. 15 lakhs, Rs. 20 lakhs and Rs. 30 lakhs for Bombay, Calcutta, Madras and Delhi branches respectively for the import of Machinery.	Nil	30,00	13,24	Nil.	
	(*ii*) National Small Industries Corporation Ltd., Madras.				20,00	4,52		
	(*iii*) National Small Industries Corporation Ltd., Calcutta.				15,00	10,76		
	(*iv*) National Small Industries Corporation Ltd., Delhi.				30,00	13,67		
	(*v*) National Small Industries Corporation Ltd., New Delhi.	Min. of C & I letters No. 15-SSI(A)(14)/56 dated, 28-3-57.	Guarantee to indemnify State Bank of India for granting 100% advances against raw materials to Small Scale Units, subject to a limit of Rs. 25,000 in the case of individual borrowers within a ceiling of Rs 30 lakhs.	..	30,00	1,45	Nil.	
	Do.	Min. of C. & I. letter No, 8SS I. (A)(36). 57 dated 12-5-61.	Continuing guarantee for import of machinery.		15,00	74	Nil	

Institutions specified by clause 2 (*c*) of the Scheme for the guarantee of advances granted to Small Scale Industries.	Ministry of Commerce and Industry letter No. 10-SSI(B) (9) 59, dt. 10-1-1960	Guarantee of a portion of possible losses in respect of loans and advances made by 32 credit institutions to Small Scale Industries to the extent of 52½ % to 60% of the limits guaranteed subject to a maximum of Rs. 1 lakh in respect of any one advance.	A commission of ¼% P.A. on the maximum amount of advance.	4,27,72	4,27,72	No.
M/s. Dhrangadhra Chemicals Works Ltd.	Guarantee given by Union Govt. on 31-8-1957.	Repayment of principal and payment of interest due thereon to the Industrial Finance Corporation on demand in the event of the Company committing default in the payment of the same on due dates.	(*i*) Rs. 42,50,000 interest 5½% p.a. with a rebate of ½% for punctual payment of principal and interest. (*ii*) Rs. 100,00,000 Interest at such rate as may be fixed by the Corporation from time to time with the prior approval of Central Government subject to a minimum of 7% p.a. which is now current and the rebate of ½% as in (i).	1,42,50	1,04,00	The Securities are pledged to Industrial Finance Corporation.

1	2	3	4	5	6	7	8	9
6	West Coast Paper Mills, Bombay.	Guarantee given on 28-2-59.	Repayments of Loans and interest thereon to Industrial Finance Corporation	7 percent with a rebate of 1/2 percent. for punctual payment of interest and repayment of the instalments of principal and compliance with all other obligations under the relative Mortgage Deed.	1,50,00	1,44,00	The Comany's block assets have been mortgaged with the I.F.C.	..
7	State Trading Corporation of India, Ltd., New Delhi.	Ministry of C & I letter No. 2-6-60 FV dt. 10-8-61	The guarantee is for over drawals from the State Bank of India against the cash credit limit of Rs. 6 crores alloted to S.T.C.	4 1/2 per cent. on all net borrowings and 1 per cent on the portion counter valued.	6,00,00	6,00,00	The S.T.C. has executed a promissory note in favour of the Govt. which in turn has been endorsed to State Bank of India.	..
	..	..	..	23		22		
8	Richardson & Crudes Ltd., Calcutta.	Ministry of Finnance U.O. No. 5288-CI-59, dated 16-6-59 and U.O. No. FII/657/62 dated 19-10-62.	The guarantee is in respect of cash credit arrangement to the extent of Rs. 95 lakhs obtained by Company by virtue of its promissory note.	4% or 5% per annum.	95,00	87,51	NIL	A demand pronote for the maximum amount guaranteed has been made out to the President of India by the Company and this in turn has been endorsed to the State.

									Bank of India, Calcutta. This guarantee is continuing one.
9	Nahan Foundry Ltd.	Min. of C & I letter No. 1/3, 61-Eng. Pro. dated Dec. 1962.	Operation of over draft account with the State Bank of India upto a maximum limit of Rs. 5 lakhs.	6½% p.a.	5,00	Nil	..		The period of validity of the guarantee expires on 31-3-63.
10	Jute Buffer Stock Association, Calcutta.		Guarantee to the State Bank of India in respect of advances to the Association for purchase of Jute for buffer stock. The guarantee covers the margin usually kept by the State Bank.		1,00,00	52,56	No		The question of entering into a separate agreement with the Association is under consideraion.
			MINISTRY OF COMMUNITY DEVELOPMENT & CO-OPERATION						
11	Bellary Central Co-operative Stores Ltd.	Min. of F&A No. 16/7/56 Co-Op., 28-11-56.	Continuing joint guarantee with the State Govt. concerned on a 50 : 50 basis for repayment of principal, interest and other moneys in respect of loans	7 per cent. with ½ percent rebate for punctual payments.	20,00			Assets are pledged with I.F.C.	The Stores have repaid Rs. 15,20,000 and the balance of Rs. 1,25,000 has been declined.

	2	3	4	5	6	7	8	9
			granted by the Industrial Finance Corporation to the society to the extent of Rs. 40 lakhs.			21,77		
	Do.	Min. of C. D & C. No. 9-102/59 F & S, 27-4-60 and sanction dt. 25-2-59.	Do. of Rs. 20 lakhs.	Do.	10,00		Do.	
12	Pandavpura Sahakari Sakhar Karkhana Ltd.	Min of F&A No. 34-10/58-Co-op. II, dt. 30/6/58.	Do. of Rs. 50 lakhs.	7 per cent. with a rebate of 1% for punctual payment of interest and principal.	25,00	19,50	Assets are pledged with I.F.C.	Rs. 1 lakh has been declined.
13	Madurantakam Co-operative Sugar Mills Ltd.	Min. of F & A No. 34-12/58-Co-op. II, dated 13-1-58.	Do. of Rs. 50 lakhs.	Do.	25,00		Do.	The Society has yet to avail itself of Rs. 1 lakh.
	Do.	Min of CD&C No. 33-35/60, dated 4-1-62.	Do. of Rs. 13 lakhs.	Do.	6,50	28,00	Do.	
14	North Arcot District Co-operative Sugar Mills Ltd.	Min. of C.D.&C. No. 34 (12)/58 Co-op. II, dated 20-5-59.	Do. of Rs. 55 lakhs.	Do.	27,50	25,00	Do.	

15	Amravati Co-Operative Sugar Mills, Ltd.	Min. of F. & A. No. 34(12) 58 Co-Op. II, dated 20-5-59 and sanction dt. 27-2-58.	Do. of Rs. 55 lakhs.	Do	27,50	25,00	Do.	
16	Amadalavalasa Co-Operative Agricultural Industrial Society Ltd.	Min. of C.D.&C. No. F-9/96/59-F&P, dt. 21-3-60 and sanction dt. 26-10-59.	Do. of Rs. 75 lakhs.	Do.	37,50	37,50	Do.	
		No. 4-20/61 Sug. dated 23-3-62 and sanction dated 28-9-61.	Do. of Rs. 15 lakhs.	7½ per cent. with ½ per cent. rebate	7,50	3,75	Do.	The Society is yet to avail of Rs. 7·5 lakhs.
17	Chodavaram Co-Operative Agricultural and Industrial Society Ltd.	(i) No. F. 9/59/59/F. & P. dt. 21-3-60. and sanction dated 26-10-59	Do. of Rs. 75 lakhs.	7 percent with a rebate of ½ per cent.	37,50	37,50	Do.	
		(ii) 13-71/60-Sugar dated 23-3-62 and sanction dated 26-8-61	Do. of Rs. 15 lakhs.	7½ per cent. p.a. with ½ per cent. rebate	7,50	..	Do.	
18	Palakole Co-Operative Agricultural & Industrial Society Ltd.	(i) Min. of C.D.& C.No. F13/10/59 TS, dt. 1-12-60 and sanction dt. 31-3-60.	Do. of Rs. 75 Lakhs.	7 per cent. with a rebate of ½ per cent.	37,50	35,00	Do.	The society has yet to avail itself of Rs. 5 lakhs.
		(ii) 4-8/61- Sugar, dated 24-3-62 and sanction dated 28-12-61.	Do. of Rs. 15 Lakhs.	7½ per cent. with ½ per cent. rebate.	7,50	..	Do.	
19	The Chittoor Co-Operative Sugars Ltd.	Min. of C.D.&C. No. F13-41/60 TS, dt. 5-12-60 and sanction dt. 28-4-60.	Do. of Rs. 75 Lakhs.	7 per cent. with ½ per cent. rebate.	37,50	37,50	Do.	

1	2	3	4	5	6	7	8	9
20	Haryana Co-Operative Sugar Mills, Ltd.	Min. of F. & A. No. 16-2/56-Coop. II, dated 19-6-56 for Rs. 45 lakhs *vide* sanctions dated 16-10-55 and 30-10-56.	Do. of Rs. 45 Lakhs.	6½ per cent with ½ per cent. rebate.	22,50	15,37	Do.	
	Do.	No. 34-8/58-Co-op. II, dated 13-2-59 for Rs. 10 lakhs *vide* sanction dt. 27-6-58.	Do. of Rs. 10 lakhs.	7 per cent. per annum with a rebate of ½ %.	5,00	3,65	Do.	
21	Janta Co-operative Sugar Mills.	Min. of F.&A. No. 16-2/56 Co-op. I, dated 19-5-56 for Rs. 35 lakhs *vide* sanction dt. 16-10-55.	Do. of Rs. 35 lakhs.	6½ per cent. per annum with a rebate of ½ %.	17,50	8,28	Do.	
	Do.	Min. of CD&C No. 34-8/58, dt. 13-2-59, *vide* sanction dated 27-6-58.	Do. of Rs. 10 lakhs.	7 per cent. per annum with ½ per cent. rebate.	5,00	3,13	Do.	
22	Panipat Co-operative Sugar Mills Ltd., Panipat.	Min. of F.&A. No. 16-4/56, dated 29-12-56 for Rs. 40 lakhs and sanction dated 30-7-56.	Do. of Rs. 40 lakhs.	6½ % per annum with ½ per cent. rebate.	20,00	5,62	Do.	

	Do.	Min. of C.D.&C No. 34-8/58, dated 13-2-59 for Rs. 11 lakhs and sanction dated 27-2-58.	Do. of Rs. 11 lakhs.	7% per annum with ½ % rebate.	15,50	3,80	Do.	
23	Morinda Co-opertive Sugar Mills Ltd.	Min. of C.D.&C No. 4-30/61, dated 18-12-61 and sanction dt. 29-3-61.	Do. of Rs. 90 lakhs.	Do.	45,00	Nil	Do.	Interim loan of Rs. 70 Lakhs has been disbursed to the Society on 4-9-62 on the basis of 100% guarantee of Punjab Govt.
24	Batala Co-operative Sugar Mills Ltd.	Min. of C.D.&C No. 4-31-561, dated 17-12-61 and sanction dated 29-3-61.	Do. of Rs. 90 lakhs.	Do.	45,00	Nil	Do.	Do.
25	Bazpur Co-operative Sugar Mills Ltd.	M.F & A No. 16-27/56 Co-op, II, dated 29-9-57 for Rs. 60 lakhs and sanction dated 8-2-57.	Do. of Rs. 60 lakhs.	7% per annum with ½% rebate for punctual payments.	30,00	23,72	Do.	
	Do.	Letter No. 9-61/60 Co-op. II, dated 29-6-60.	Do. of Rs. 15 lakhs.	7% per annum with ½% rebate for punctual payments.	7,50	7,00	Do.	
26	Bhagpat Co-operative Sugar Mills Ltd.	Min. of C.D. & C. No. 9-30/59-Co-op. II, dt. 7th June, 1959 and 2/ sanction dated 27-9-58.	Do. of Rs. 60 lakhs.	Do.	30,00	30,00	Do.	

1	2	3	4	5	6	7	8	9
					Rs.	Rs.		
27	Assam Co-operative Sugar Mills Ltd.	(i) Min. of F. & A.F. 16-17/56/Co-op. I, dated 25-2-57 and sanction dated 26-6-56 (ii) Min. of C. D. & C. Letter No. 9-3/59-F & P, dated 19-11-59 and sanction dated 25-2-59.	Do. of Rs. 45 lakhs.	7% per annum with ½% rebate for punctual payments.	22,50	18,00	Assets pleged with I.F.C.	
			Do. of Rs. 15 lakhs.	Do.	7,50	7,50	Do.	
28	Shriram Shakari Sakhar Karkhana Ltd.	Min. of F. & A. F. 16-2/56 Co-op. I, dated 19-5-56 and F. 2-2/57-Co-op. II (C.P.), dated 12-12-57. Sanctions dated 17-12-55 and 16-5-57, respectively.	Do of Rs. 47·50 lakhs.	Do.	23,75	12,69	Do.	
29	Malegaon Sahakri Sakhar, Karkhana Ltd.	Min. of F. & A. F. 16-2/56-Co-op. I, dated 19-5-56 & F/16-2/ 56-C Co-op. I, dated 28-11-56 F2(2)/ 57-Co-op. II (C. P.) dated 12-12-57 and sanctions dated 6-8-55 & 16-5-57.	Do. of Rs. 52·50 lakhs.	7% per annum with a rebate of ½ per cent. for punctual payments.	26,25	14,68	Do.	The Society has repaid Rs. 17,55,834.
30	Shri Chhattrahpathi Shivaji Sahakari Sahkar Karkhana Ltd.	Min. of F. & A. No. 2-2/57 Co-op. II, dated 12-12-57 and sanction dt. 30-10-56.	Do. of Rs. 24 lakhs.	7 per cent subject to a rebate of ½ per cent for punctual payments.	12,00	3,55	Do.	

31	Ashoka Sahakari Sahkar Karkhana Ltd.	Min. of F & A. F. 16-2/56 Co-op. I, dated 19-5-56. Sanction dated 6-8-55.	Do. of Rs. 45 lakhs.	Do.	26,25	18,66	Do.	
		F. 2(2)/57 Co-op. II (C.P.), dt. 12-12-57. Sanction dt. 16-5-57.	Do. of Rs. 7·5 lakhs.	Do.				
32	Ganesh S. S. K. Ltd.	Min. of F. & A. F. 16-2/56- Co-op. II, dt. 19/5/56 & F16-2/56 Co-op. I, dt. 21-9-56. Sanction dt. 15-10-55.	Do. of Rs. 45 lakhs.	Do.	26,25	18,46	Do	
	Do.	Do. F. 2 (2) 57 Co-op. I, (C.P.) Ltd. 12-12-57. Sanction dt. 16-5-57.	Do. of Rs. 7·5 lakhs.	Do.				
	Do.	Min. of C. D. P. R. & C. No.-4(9)/61-Sugar dated 30-1-62 and sanction dated 1-3-61.	Do. of Rs. 15 lakhs	7½% with ½ percent rebate for punctual payments.	7,50	..	Do.	
33	Shree Khedut Sahakari Khand Udyog Mandli Ltd.	Min. of F. &A. F. 16-2-/56 Co-op. I, dt. 19-5-56. Sanction dt. 6-8-55.	Do of Rs. 45 lakhs.	7 per cent with ½ per cent rebate for punctual payment.	26,25	17,47	Do.	Rs. 5 lakhs from the first loan of Rs. 45 lakhs was not made available to the Society.
		No. F. 34-2/68-Co-op I, dt. 22-5-58 Sanction dt. 16-5-57	Do. of Rs.7·5 lakhs.	Do.				

1	2	3	4	5	6	7	8	9
34	The Girna S.S.K. Ltd.	Min. of F. & A. No. F. 16-2/56 Co-op. I, dt. 7-8-56. Sanction dt. 2-3-56.	Do. of Rs. 40 lakhs.	7 per cent with ½ per cent rebate for punctual payment.				
		Do. No. F. 2(2) 57- Co-op. II dt. 12-12-57. Sanction dt. 16-5-57.	Do. of Rs. 15 lakhs.	Do.		32,50	26,00	Do.
		Min. of C.D.&C. No. 9-68/59 F&P dt. 4-12-59. Sancion dt. 24-12-58.	Do. of Rs. 10 lakhs.	Do.				
35	The Bhogawati S.S.K. Ltd.	Min. of F. & A. F-16-2/56 Co-op. I, dt. 28-11-56. Sanction dated 4-6-56.	Do. of Rs. 45 lakhs.	Do.				
		Do. No. F. 2 (2)/57-Co-op II (C. P.), dt. 12-12-57. Sanction dt. 16-5-57.	Do. of Rs. 10 lakhs.	Do.		32,50	26,00	Do.
		Min. of C.D.&C. No. 9-61/59 F &P., dt. 4-12-59. Sanction dt. 24-12-58.	Do. of Rs. 10 lakhs.	Do.				

36	Shree Warana S. S. K. Ltd.	Min. of F&A No. F. 16-25/6-Co-op. I, dt. 28-11-56. Sanction dt. 4-6-56.	Do. of Rs. 45 lakhs.	Do.	32,50	26,00	Do.
		Do. No. F. 2 (2)/57-Co-op. II (C. P.), dt. 12-12-57. Sanction dt. 16-5-57.	Do. of Rs. 10 lakhs.	Do.			
		Min. of C.D. & C. No. 9-65/59-F& P, dt. 3-12-59. Sanction dt. 24-11-58.	Do. of Rs. 10 lakhs.	Do.			
37	Shree Pancha Ganga S.S.K. Ltd.	Min. of F.&A. No. F. 16-2/ Co-op., dt. 6-6-57. Sanction dated 26-6-56.	Do. of Rs. 45 lakhs.	Do.	32,50	26,60	Do.
		Do. No. F. 2 (2)/57-Co-op. II (C.P.), dt. 12-12-57. Sanction dated 16-5-57.	Do. of Rs. 10 lakhs.	Do.			
		Min. of C.D. & C. No. 9-70/59-F. & P., dt. 4-12-59. Sanction dt. 24-11-58.	Do. of Rs. 10 lakhs.	Do.			
38	Sinet Khari S.S.K., Ltd.	Min. of F.& A. No. F. 2-2/ 57-Co-op. II, (C.P.), dt. 23-11-57. Sanction dt. 16-5-57.	Do. of Rs. 55 lakhs.	Do.	32,50	27,70	Do.
		Min. C.D. & C. No. 9-67/59-F. & P., dated 4-12-59. Sanction dated 24-11-58.	Do. of Rs. 10 lakhs.	Do.			

1	2	3	4	5	6	7	8	9
39	Kodinar Khand Udyog Khedut Sahakari Mandli Ltd.	Min. C.D.& C. No. 34/12/58-Co-op. II, dt. 27-2-59. Sanctions dt. 27-2-58 and 23-4-58.	Do. of Rs. 60 lakhs.	Do.	30,00	23,25	Do.	
40	Shri Hiranya Keshi S.S.K. Ltd.	Min. of CD & C letter 13-80/60-Sugar, dt. 1-12-61. Sanction dated 31-3-60.	Do. of Rs. 75 lakhs.	Do.	37,50	Nil	Do.	The Society has been given an interim loan of Rs. 70 lakhs against the 100% guarantee of the State Government.
41	Krishna S.S.K. Ltd.	Min. of F. & A. Nos. 16/2/57 Co-op. I, dt. 6-6-57 and 2 (2)/57 Co-op II, dt. 12-12-57 and Min. C.D. & C. No. 9/27/59 T. & S., dt. 17-10-60. Sanctions dated 30-7-56, 16-5-57 and 19-12-59, respectively.	Do. of Rs. 40 lakhs, 15 lakhs and 20 lakhs respectively.	7 per cent. with rebate of ½ per cent for punctual payments.	37,50	37,50	Do.	
42	Kissan Co-operative Sugar Factory Ltd., Sarsawa.	Min. of CDPR& C No. 13-102/60-Sugar, dated 5-1-62 and sanction dated 27-4-61.	Do. of Rs. 48 lakhs.	7½ per cent with ½ per cent rebate for punctual payment.	24,00		Do.	Interim loan of Rs. 20 lakhs has been disbursed to the Society on 11-10-62 on the basis of 100% guarantee of the State Govt.

43	Nizamabad Co-operative Sugar Factory Ltd.	Do. No. 9-78/59, dated 23-3-62 and sanction dated 26-8-61.	Do. of Rs. 90 lakhs.	Do.	45,00	..	Do.	The Society has been advanced an interim loan of Rs. 25 lakhs against 100% guarantee of the State Govt.
44	Ashoka Co-operative Sugar Industries Ltd.	Do. No. 4/34/61 Sugar, dated 2-5-61, and sanction dated 29-11-60.	Do. Rs. 85 lakhs.	Do.	42,50	..	Do.	Interim loans to the extent of Rs. 35 lakhs have been advanced against 100% guarantee of the State Govt.
45	Mannam Co-operative Sugar Mills Ltd.	Do. No. 13-34-60 Sugar, dated 22-12-62 and sanction dated 26-7-62.	Do. of Rs. 90 lakhs.	Do.	45,00	..	Do.	No amount has been disbursed so far.
46	Kumbhi Kesari S.S.L. Ltd.	Do. No. 9-18/59 Sugar, dated 21-7-62 and sanction dated 25-5-61.	Do. of Rs. 90 lakhs.	Do.	45,00	..	Do.	Do.
47	Someshwar S.S.K. Ltd.	Do. No. 9-119/59 Sugar, dated 30-7-62 and sanction dated 28-9-61.	Do. of Rs. 90 lakhs.	Do.	45,00	..	Do.	Do.
	*	*	*	*	*	*	*	*
48	Tripura State Co-operative Bank Ltd., Agartala.	Min. of CD & C No. 3-12-61 U.T., dated 12-10-61.	Repayment of principal and interest.	2% below Bank rate.	8,00	8,00	..	Do.

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49	Manipur State Co-operative Bank Ltd. Imphal.	Min. of CD & C No. 3-18-61 U.T., dated 16-10-61.	Repayment of principal and interest.	2% below Bank rate.	15,00	8,00	..	The release of the balance is expected within the current year.
50	Pondicherry State Co-Operative Bank Ltd., Pondicherry.	Min. of CD & C.No. 3-28/60-U. T., dated 15-12-60. (Medium term loans.) No. 3-16/61-U.T., dt. 21-8-61.	Do.	1½% below Bank rate.	2,00	2,00	..	Sanctioned by R.B.I. on 16-5-61.
			Do.	2% below Bank rate.	20,00	6,00	..	Sanctioned by R.B.I. on 11-9-61.
		No. F3-14/62-U.T., dated 4-12-62.	Do.	Sanction order from R.B.I. has not been received.	5,00	..	..	Amount not yet drawn.
		No. F.3-15/62-U.T.. dated 5-12-62.	Do.	Do.	25,00	..	..	Do.
51	Delhi State Co-operative Bank Ltd., Delhi.	No. 3-16/62-U.T., dated 6-12-62.	Do.	Do.	15,00	..	..	Do.
				MINISTRY OF DEFENCE				
5	Hindustan Aircraft Ltd., Bangalore.	Ministry of Finance (Defence) letter No. 1199/Prod, dt. 15-3-61.	Guarantee for cash credit arrangement with the State Bank of India and relates	.. ..	1,50,00 plus interest accrued thereon.	64,55	No.	.

			to the payment of principal and interest thereon.					
53	Bharat Electronics Ltd.	Ministry of Finance (Defence) Letters No. 31/F/Prod/41, dated 4-5-62 and No. 503/Prod., dated 23-12-61.	Do.		1,50,00 plus interest charges.	1,20,66 plus interest charges.	Do	A demand pronote for the maximum amount guaranteed together with the interest accrued thereon has been made out to the President of India by the Chairman, Board of Directors and this in turn has been endorsed to the State Bank of India, Bangalore.
54	Garden Reach Workshops Ltd., Calcutta.	Ministry of Finance (Defence) letters No. 4421/Prod. II, dated 8-8-62 as modified by No. C/GRW/2 dated 30-10-62.	Do.	Do.	75,00 plus interest charges.	75,00	No.	
55	Iazagon Dock Ltd., Bombay.	Ministry of Finance (Defence) letter No. 4577/Prod./II, dated 8-8-62.	Do.	Do.	50,00 plus interest charges.	48,63	No.	
			MINISTRY OF FINANCE					
56	Industrial Credit and Investment Corporation of India Ltd.	Guarantee Agreement dt. 14-3-55 between the President of India and the Inter-	Payment of principal, interest and other charges as per loan agreement between	4½ %	4,76,19	3,69,07	..	

1	2	3	4	5	6	7	8	9
		national Bank for Reconstruction and Development.	the borrower and the I.B.R.D. referred to in the guarantee Agreement.					
	Industrial Credit and Investment Corporation of India Ltd.	Guarantee Agreement dt. 15-7-59 between the President of India and the I.B.R.D.	Do.	Variable	4,76,19	2,84,42		
	Do.	Guarantee Agreement dt. 28-10-60 between the President of India and the I.B.R.D.	Do.	Do.	9,52,38	3,01,48	No.	..
	Do.	Guarantee Agreement dated 28-2-62 between the President of India and the I.B.R.D.	Do.	Do.	9,52,38	46,83		
37	Industrial Finance Corporation of India.	Section 5 of the I. F. C. Act, 1948.	Guarantee of the share of the Corporation as to the repayment of principal and payment of the annual dividend.	(i) 2½% as minimum guaranteed dividend.	(i) Shares of 5,00,00 5,00,00 and dividend thereon.	5,00,00	No.	The total amount drawn from the Govt. by way of subvention to meet the guaranteed dividend upto the 30th June, 1956 amounts to Rs. 53,45,490·16 nP. The Corpo-
				(ii) 4% as minimum guaranteed dividend.	(ii) Shares of 2.00,00 and dividend thereon.	2,00,00	No.	

							ration has since repaid the entire amount.
Do.	Section 21 (2) of the I. F. C. Act, 1948.	Repayment of principal and payment of interest in respect of 1964 Bonds issued by the Corporation aggregating Rs. 7,80,50,000.	3¼%	7,80,50	7,80,50	No.	The bonds mature on 1st August, 1964.
Do.	Section 21 (2) of the I. F. C. Act, 1948.	Repayment of principal and payment of interest in respect of 1967 Bonds issued by the Corporation aggregating Rs. 4,56,47,400.	4½ %	4,56,47	4,56,47	No.	The bonds mature on 25th November, 1967.
Do.	Do.	Repayment of principal and payment of interest in respect of 1968 Bonds issued by the Corporation aggregating Rs. 4,38,30,800.	4½ %	4,38,31	4,38,31	No	The bonds mature on 24th November, 1968.
Do.	Do.	Repayment of principal and payment of interest in respect of 1971 Bonds issued by the Corporation aggregating Rs. 5,48,86,900.	4%	5,48,87	5,48,87	No	The bonds mature on 5th October, 1971.

1	2	3	4	5	6	7	8	9
	Do.	Section 21 (2) of the I. F. C. Act, 1948.	Repayment of principal and payment of interest in respect of the Corporation Special Bonds, 1964 of the face value of Rs. 3,50,00,000.	4%	3,50,00	3,50,00	No	The Bonds mature on 1st January, 1964.
	Do.	Do.	Repayment of principal and payment of interest in respect of the Corporation Special Bonds 1974 of the face value of Rs. 6,00,33,100.	4½%	6,00,33	6,00,33	No.	The Bonds mature on 28th September, 1974.
58	Madras State Electricity Board.	No. 10(26)-FCII/60, dt. 4-8-61	Surety for the due and punctual payment of principal and interest and other charges on the loan.	6%	1,99	1,99	..	These guarantees are against *ad hoc* credit (Suppilers Credits).
	Do.	Do.	Do.	Do.	5,16	5,16	..	
59	Madhya Pradesh Electricity Board.	Do.	Do.	Do.	4,05	4,05	..	
	Do.	Do.	Do.	Do.	13,62	13,62	..	
60	Andhra Pradesh Electricity Board.	Do.	Do.	Do.	11,61	11,61	..	

	Do.	Do.	Do.	Do.	2,05	2,05	..
	Do.	Do.	Do.	Do.	2,40	2,40	..
61	Mysore Electricity Board.	No. 10(26)-FCII/60, dt. 9-8-61.	Do.	Do.	9,53	9,53	..
62	U.P. State Electricity Board.	No. 10(2)FCII/61, dated 12-2-62.	Do.	Do.	4,06	4,06	
	Do.	Do. dated 16-10-62.	Do.	Do.	1,72	1,72	
			MINISTRY OF IRRIGATION AND POWER				
63	The Tata Power Company, Ltd., Tata Hydro-Electric Power Supply Co. Ltd. and The Andhra Valley Power Supply Co. Ltd.	Guarantee Agreement between the President of India and International Bank for Reconstruction and Development.	Payment of principal, interest & other charges as per loan Agreements between the borrower and I.B.R.D.	4¾ % per annum.	6,64,29	4,95,80	
	Do.	Do.	Do.	5¼%	4,66,67	3,80,29	..
64	National Project Construction Corporation Ltd.	Ministry of I&P letter No. 11(3)/59-Co-ord.,(DW IV), dated 6-12-62.	Guarantee for cash credit arrangements with the State Bank of India to a maximum limit of Rs. 50 lakhs.	½% above the State Bank Advance rate with a minimum of 5% per annum.	50,00	13,66	No.

1	2	3	4	5	6	7	8	9
			MINISTRY OF MINES AND FUEL					
65	Oil India Ltd.	(i) Ministry of Finance Deptt. of E.A.U.O. No. D. 1435/62 S.B. dated 2-6-62.	Guarantee for Rs. 3 crores for increasing the overdraft facilities given by the State Bank of India to the O.I.L. from Rs. 17 crores to Rs. 20 crores.	2% above the State Bank of India Advnce Rate with a minimum of 7% p.a.	3,00,00	3,00,00	No.	
		(ii) Deptt. of E. A. U.O. No. 8/60/62-S. B. dated 9-10-62.	(ii) Guarantee for an additional sum of Rs. 3 crores in order to reduce correspondingly the amount of hypothecation of assets of O.I.L. from Rs. 7 crores to Rs. 4 crores for the above overdraft.		3,00,00	3,00,00		
66	Indian Refineries Ltd.	Letters No.9(16)--59-O.R., dated 25-2-60. 1-6-60, 29-8-60, 28-12-60, 27-3-61 and letter No. 6(15)-FC 1/61 dated 12-6-61, 17-6-61, 18-9-61 9-11-61, 13-12-61	Guarantee has been given by the Govt. of India, in consideration of the State Bank of India issuing a letter of authority on the State Bank of U.S.S.R.	2·5% (Bank will charge a commission of ¼% on the letters of authority for the present).	13,42,15	3,69,70	..	Following the inter-Governmental Agreement, the Indian Refineries, Ltd., concluded two subsidiary contracts with M/s. Tiazpromexport, Moscow.

		28-12-61, 10-1-62, 20-2-62, 12-3-62, 26-4-62, 23-5-62, 16-7-62, 18-10-62 and 20-10-62.						
67	Indian Oil Co. Ltd.	Govt. of India Min. of S. M. & F. letter No. 9(52)/60- 10c. dated 28-2-62.	Guarantee to indemnify State Bank of India, against all consequences of their issung a letter of authority on behalf of I. O. C. on the State Bank of U.S.S. R., Moscow on account of payment under contract dated 15-7-60 between I.O.C. & M/s Sojunnefte-export, Moscow.	Nil	5,00,00	4,35,51	No.	The Indian Oil Co. a Govt. of India Undertaking have entered into a contract with Soviet Export Organisation for import of substantial quantities of deficit petroleum products. The suppliers have agreed to allow credit free of interest, subject to State Bank of India guarantee and Govt. of India have issued a counter guarantee.
	Do.	Letter No. 9(43) 61-Oil (PL) dated 25-5-62.	Guarantee to indemnify the State Bank of India against all consequences on their granting the Indian Oil Company bank accommodation by way of cash credit.	Advance rate of S.B.I. subject to a minimum rate of interest of 5%.	2,00,00	Nil		
68	Neyveli Lignite Corporation Ltd.	Agreement dated 9-11-57 between the Govt.	Guarantee given in consideration of the	Nil	11,33,14	35	..	..

1	2	3	4	5	6	7	8	9
		of India & the Govt. of U.S.S.R. Letter of authority issued by the Govt. of India Ministry of Finance, Deptt. of Economic Affairs.	State Bank of India issuing a letter of authority on the State Bank of U.S.S.R.					
		(1) Letter No. 6(37)/FCI/ 61, dt. 30-11-1961. 4-12-61, 4-12-61, 6-4-62, 20-9-62 and 20-9-62.	..	..	2,69,85	2,20	..	..
			..	..				
		(2) Letter No. 6(7)/59 Lignite, dt. 16-4-60.	On account of payment due under the contract dated 27-10-59 entered by the Corporation with M/s Ansaldo Genoa, Italy for the supply of fertilizer plant.	6%	8,59,64	8,59,64	..	
		(3) Letter No. 10(26)F.C.II/ 60 dated 3-9-62.	Guarantee for the punctual payment of principal and interest charges etc. regarding *adhoc* Credit from Japan.	6%	1,45	1,45	..	

69	Burdwan-Katwa Rly. Co. Ltd.	Contract dated 5th April, 1917 between the Secretary of State (now President of India), and the Burdwan Katwa Rly. Co. Ltd.	The amount of the guarantee is limited to make up the net receipts of the Rly. Co. up to 3½ % p.a. on its paid up share capital. When the net receipts of the Company exceed the minimum amount sufficient to pay interest on its paid up share capital at the rate of 5% p.a. such excess is divided equally between the Govt. & the Co. Managing Agency remuneration amounting to Rs. 5,000 p.a. and other petty expenses subject to audit, are taken as a part of working expenses of the Railway in arriving at the net receipts of the Co.	3½%	17,80	17,80	No.	The line is worked by the Company itself.
70	Ahmadpur-Katwa Rly. Co. Ltd.	Contract dated the 8th May, 1922 between	The amount of guarantee is limited to make	3½%	17,24	17,24	No.	Do.

1	2	3	4	5	6	7	8	9
		the Secretary of State (now President of India) and the Ahmadpur-Katwa Rly. Co., Ltd.	up the net receipts of the Rly. Co., upto 3½% p.a. on its paid up share Capital. When the net receipts of the Co. exceed the minimum amount sufficient to pay interest on its paid up share capital at the rate of 5% p.a. such excess is divided equally between the Govt. & the Company. Managing Agency remuneration amounting to Rs. 5,000 p.a. and other petty expenses subject to audit, are taken as a part of working expenses of the Rly. in arriving at the net receipts of the Company.					
71	Futwah Islampur Light Rly. Co. Ltd.	Contract dated the 3rd Sept. 1920 between the Secretary of State (now	Same as above except that Managing Agency remuneration is taken	3½%	11,50	11,50	No.	Do.

		President of India) & F. I. Light Rly. Co. Ltd.	at Rs. 6,000 p.a. in this case.					
72	Bankura Damodar River Railway Co. Ltd.	Agreement dated 6th Sept., 1918 between the Secy. of State (now President of India) & Bankura Damodar River Railway Co. Ltd.	Same as above except that Managing Agency remuneration is taken at Rs. 10,000 p.a. in this case.	3½%	34,00	34,00	No.	The line is worked by the Company itself.
73	Chaparmukh Silghat Railway Co. Ltd.	Contract dated 14th Nov. 1918 between the Secy. of State (now President of India) and the Chaparmukh Silghat Rly. Co. Ltd.	The amount of guarantee is limited to make up the net receipts of the Rly. Co. upto 3½% p.a. on its paid up share capital. When the net receipts of the Co. exceed the minimum amount sufficient to pay interest on its paid up share capital at the rate of 5% p.a. such excess is applied towards the payment of the Managing Agency remuneration amounting to Rs. 6,000 &	3½%	31,00	31,00	No.	This line is worked by the Central Govt. through the agency of the Rly. Administration.

1	2	3	4	5	6	7	8	9
			other petty expenses subject to audit and the balance, if any, is divided equally between the Govt. and the company.					
74	Katakhal Lala Bazar Railway Co. Ltd.	Contract dated 19th May, 1923 between the Secretary of State (now President of India) and the Katakhal Lala Bazar Railway Co. Ltd.	Same as above except that the Managing Agency remuneration is taken at Rs. 3,500 in this case.	3½%	8,91	8,91	No.	This line is worked by the Central Govt. through the agency of the Rly. Administration.
			MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS					
75	The Asia Society, New York.	Min-of SR&CA letter No. F 11-30/62 EC-2, dated 14-8-62.	Guarantee given to Reserve Bank of India and Air India for the Air travel charges of Smt. Balasaraswati and party from India to U.S.A.	..	31	30	No.	..
			MINISTRY OF STEEL AND HEAVY INDUSTRIES					
76	Heavy Electricals Ltd., Bhopal.	..	The guarantee is to indemnify the State Bank of India against all claims	5% or 1% above the Bank of England rate	3,62,67	2,81,38	No.	Heavy Electricals Ltd., Bhopal, a Government of India undertaking have

			in respect of guarantee furnished by them to a British firm M/s. Morgan Grenfell & Co. Ltd., London.	which ever is higher.			secured credit facilities for £2·72 million to purchase plant and machinery required for the first phase of the project on deferred terms of payment abroad. The credit has been given by a Syndicate of British Banks represented by M/s Morgan Grenfell and Co. Ltd. The State Bank of India, the Bankers of HEL, have guaranteed repayment of credit and interest thereon to a limit of £3·0 million, and Government and HEL have given a counter guarantee to State Bank of India indemnifying it against all claims against the guarantee given by it to the British Firm.
77	Fertilizer Corporation of India Ltd. Naya Nangal (Pb.).	Guarantees dated 15-1-58 and 26-6-60.	Counter guarantee to State Bank of India to enable the Bank to issue letter of guarantee to the Foreign suppliers of equipment etc. to the Corporation on deferred payment basis.	6.5%	6,51,17	96,47	Relative to supply and erection of Fertilizer Group of Plants and supply of spares by M/s. Saint Gobain, France.

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	Fertilizer Corporation of India Ltd., Naya Nangal (Pb.).	Guarantee dated April, 1960.	Do.	10·06%	95,58	31,86	..	Relative to supply of heavy water plant by M/s. Linde, West Germany.
	Do.	Guarantee dated August, 1961.	Do.	6·5%	41,60	41,60	..	Do.
78	Fertilizers & Chemicals Travancore Ltd.	Section 24 of Industrial Finance Corporation Act, 1948 in respect of loans advanced by the Industrial Finance Corporation.	Repayment of principal and payment of interest and other charges.	(*i*) Rs. 39,94,400 at 6% per annum with a rebate of ½% for prompt payment of interest and instalments of principal. (*ii*) Rs. 2,06,00,000 at 4½% per annum. (*iii*) Rs. 50,00,000 as such rates as may be fixed by the Corporation from time to time with the prior approval of the Central Govt. subject to a minimum of 7% with a rebate of ½% as in (*i*) above.	2,95,94	2,78,43 and interest thereon.	..	..

79	Heavy Engineering Corporation Ltd., Ranchi.	Sanctions issued by the Ministries of Steel and Heavy Industries and Commerce and Industry on various dates in 1962.	The guarantee is to indemnify the State Bank of India against all consequences that may arise as a result of their issuing letters of credit for the Corporation in the establishment of Industrial Enterprises in India.	..	11,15,17	3,31,14	Nil	
	Do.	Min. of C. & I. letter No. F3/12/62, dated 28-12-61.			15,00	7,50	Nil	Guarantee for due and timely payments by the Corporation in respect of all its obligations to M/s. Techno-export.
80	Indian Iron & Steel Co. Ltd.	Guarantee Agreement dated 18-12-52 between the President of India and the International Bank for Reconstruction and Development.	Payment of principal, interest & other charges, as per loan Agreement between the borrower and to I.B.R.D. referred in guarantee Agreement.	4¾%	13,90,61	8,66,05	Entire properties of the Company are mortgaged to I.B.R.D. and the Govt. of India.	

1	2	3	4	5	6	7	8	9
	Indian Iron & Steel Co. Ltd.	Guarantee Agreement dt. 19-12-56 between the President of India and the I.B.R.D.	Payment of principal, interest & other charges as per loan Agreement between the borrower and to I.B.R.D. referred in guarantee Agreement.	5%	9,52,38	6,21,03	Entire properties of the Company are mortgaged to I.B.R.D. and the Govt. of India.	..
	Do.	Guarantee agreement dt. 22-12-61. between the President of India and I.B.R.D.	Do.	5¾%	9,28,57	Nil	Do.	..
81	Tata Iron and Steel Co. Ltd.	Guarantee Agreement dt. 26-6-56 between the President of India and the I.B.R.D.	Do.	4¾%	35,71,43	27,28,38	Do.	..
	Do.	Guarantee Agreement dated 20-11-57 between the President of India and the I.B.R.D.	Do.	6%	15,47,62	8,33,33	Do.	..
82	Hindustan Steel Ltd.	Guarantee dated 20-3-61.	Guarantee for overdraft arrangement with the State Bank of India.	4½% per annum.	16,00,00	6,33,63	..	Hindustan Steel Ltd. is a cent per cent Govt. owned undertaking.
	Do.	..	Full and timely payment by Hindustan Steel Ltd. of its payment obligations in respect of Rourkela Steel Plant.	..	44,04,06	22,91,04	..	Do.

	Do.	Letter No. F2(5) FCII/62 dated 22-2-62.	Guarantee for due and punctual payment of principal and interest etc.	6%	47,60	47,60		
83	M/s. Bolani Ores Ltd.	Department of Iron and Steel letter No. DU R-2(3)/60 dated 19-4-60 (guarantee deeds executed on 30-7-59 and 4-3-60.)	The guarantee is for payment by Govt. to the State Bank of India, Calcutta for the principal and interest in case of default by M/s. Bolani Ores, Ltd.	6½%	50,00	78,00	As guarantor the Govt. under the Contract Act would automatically be entitled to claim all rights and benefits against the Company.	Govt. of India own 50·5 per cent of the share capital of the Company.
84	Do.	Do.	Do.	6½%	30,00		Do.	Do.
			MINISTRY OF TRANSPORT AND COMMUNICATIONS					
	Shipping Corporation India, Ltd.	The Govt. of India Min. of Finance No. 11 (14)EF(EXIM) 58, dt. 20-4-59.	The Govt. of India guaranteed the due and punctual payment of principal and interest and other charges on loan of Japanese Yen 8,15,500,000 obtained by the Western Shipping Corporation Ltd. (which has since merged in the Shipping Corporation of India) from the EXIM Bank Japan.	5¾% p.a. on 1st April/1st October.	1,08,00	97,12	Nil	Principal is payable in 15 semi-annual instalments as per Article IV included in the loan agreement commencing on April, 15, 1962.

1	2	3	4	5	6	7	8	9
85	Jayanti Shipping Co. (Pvt.) Ltd., New Delhi.	Eight counter guarantees dated 1-10-62, 15-10-62 and 26-12-62 executed jointly by Govt. of India, Jayanti Shipping Co. and Shipping Development Fund Committee.	Indemnification of the State Bank of India from and against all claims and demands on the Bank in respect of guarantee bonds to be issued by it in favour of the Mitsubishi Shipyard, Japan in respect of eight ships ordered by the Company. The guarantee will come into effect only after the acceptance of the delivery of the ships by the shipping Development Fund Committee.	Nil	2,02,97 per ship for eight ships.	2,02,97 per ship for eight ships.	..	The ships in question will be mortgaged to the Shipping Development Fund Committee on delivery.
86	Hindustan Shipyard, Limited.	Deptt. of Transport letter No. SY-4(37) 57, dated 14-11-57.	Payment of principal, interest and other charges.	Prevailing State Bank of India rate subject to a minimum of 4½%	3,50,00	Nil	Promissory Note dated 12-11-57 for Rs. 3,50,00,000	This is a cash credit arrangement with the State Bank of India to provide working capital to the Hindustan Shipyard, Ltd.
87	Air India	Guarantee Agreement dated 5-3-57 between the President of India	Payment of principal, interest and other charges as per Loan	(1) 5½ percent p. a. on the principal amount of loan with-	2,66,67	2,66,67	..	The Govt. of India have also undertaken to provide the Corporation with Funds

	and International Bank for Reconstruction and Development.	Agreement between the borrower and I.B.R.D. referred to in guarantee agreement.	drawn and outstanding from time to time. (ii) Commitment charges at ¾% p.a. on the principal amount of the loan not so withdrawn from time to time. (iii) Special commitment charges at ½% p.a. on the principal amount of any such special commitments outstanding from time to time. (iv) Premium at specified rates on the pre-payment of the loan or the redemption of the Bonds.				sufficient to redeem its 3½% Bonds & such further funds over and above the loan for completing the project set forth in the Loan Agreement.
Do.	Guarantee agreement dated 28-5-57 between the	Payment of principal, interest and other char-	(i) 5 % p. a. on the Principal amount of loan with-	5,33,33	1,33,33		

1	2	3	4	5	6	7	8	9
	Do.	President of India and the five commercial banks of U.S.A.	ges as per credit Agreement dated 31-7-57 between the A. I. I. and five American banks.	drawn & outstanding from time to time. (ii) Commitment charges at 3/4% on the average daily unused portion of such Banks commitments. (iii) Premium charges of 1/4% p.a. on the principal amount prepaid from the date of payment to the stated maturity date of the amount prepaid by the corporation.				
	Do.	Guaranteed under Section 27 of Air Corporations Act, 1953.	Repayment of principal of and payment of interest on Air India International Corporation Bonds, 1953-58.	3½%	[2,54,00	1	..	The liability under the agreement has since been discharged except for a few bonds of the principal amount of Rs. 1000 which remained unredeemed.

Do. . .	Supplementary Agreement dated 20-5-60 between the Govt. of India and the 5 U.S. Commercial Banks.	The Govt. of India have guaranteed the due and punctual payment of the principal and interest on the loan.	(*i*) 6 % p.a. on the principal amount of the Loan withdrawn and outstanding from time to time.	57,33	57,33	..	The commitment charge is payable semi-annually on 1st April/October. The date of additional borrowing. will mature on 1-10-65.
			(*ii*) Commitment charges at 3/4% on the average daily unused portion of such Bank's Commitments.				
			(*iii*) Premium charges of 1/4 % p.a. on the principal amount prepaid from the date of pre-payment to the stated maturity date of the amount pre-paid by the Corporation.				
Do. . .	Second Supplementary Agreement dated 1-5-61 between Air India/the President of India and the	Payment of Principal and interest	(*i*) Interest 5 3/4% per annum on principal amount of the loan withdrawn.	1,14,29	1,14,29	Nil	

1	2	3	4	5	6	7	8	9
		five Commercial Banks of the United States of America.		(ii) Premium charges of ½% per annum on the Principal amount prepaid from the date of prepayment to the stated maturity date of the amount prepaid by the Corporation.				
88	Indian Airlines Corporation.	Ministry of Transport letter No. 9-CA(22)/60, dated 7-10-60.	The Govt. of India have guaranteed payment of all instalments by the Indian Airlines Corporation, as and when they become due as stipulated in Article 3 of the Contract entered into for supply of five Fokker F-27 (Friendship) aircraft and connected spares & equipment.		2,23,53	7	..	

Do.	Guaranteed under Section 27 of Air Corporations Act, 1953.	Repayment of principal and interest on 3 1/2% Indian Airlines Corporation Bonds, 1953—58.	3 1/2%	22,62,31 and interest accruing thereon.	1,05	..	..
..	Guarantee given vide Govt. of India, Min. of T. & C. (Deptt. of Commns. & Civil Aviation) letter No.9-CA (5)/61, dated 19-12-1961.	The Govt. of India have guaranteed the payment of all instalments by the Indian Airlines Corporation in Indian Rupees to be paid into a blocked rupee account of Fokkers in Bombay as and when such instalments become due stipulated in para 5 of the Supplemental Agreement dated the 17th October, 1961 entered into between M/s. N. V. Keninklijke—Nederlands Vliegtuigenfabriek Fokker, Holland and I.A.C. for the supply of five additional F.27 aircraft and connected spares and equipment and the transfer of the Indian rupees so paid		2,67,75	85,15	..	..

1	2	3	4	5	6	7	8	9
			in Bombay, with interest earned to Holland after conversion into Dutch Guilders, as soon as corresponding value of Indian products have been exported as per terms and conditions laid down in Annexure E of the Supplemental Agreement.					
59	Calcutta Port Commissioners.	Guarantee Agreement between the President of India and the international bank for Reconstruction and Development.	Payment of principal, interest and other charges, as per loan agreement between the borrower and the I.B.R.D.	5 1/2%	13,80,95	8,96,27	..	Agreement dated 25-6-58.
	Do.	Do.	Do.	5 3/4%	10,00,00	27,03	..	Agreement dated 17-8-61.
90	Madras Port Trust.	Do.	Do.	5 1/2%	6,66,67	3,05,86	..	Agreement dated 5-6-58.
			MINISTRY OF WORKS, HOUSING AND REHABILITATION					
91	National Building Construction Corporation Limited.	Min. of W.H. & S. Sanction letters No. Ent. 2(11)/61 dated 16-5-61, 25-11-61,	Guarantee given by the Govt. of India to enable the Corporation to operate Cash Credit account	1/2% above State Bank of India advance rate rising and falling therewith with a mini-	72,00	72,00	No. The N.B.C.C. Ltd. is a fully State owned undertaking	

		26-2-62, and No.2/14/62ENT dated 11-7-62 and 1-12-62.	with the State Bank of India to the extent of Rs. 72 lakhs.]	mum of 5 1/2% with monthly rests.				
92	Hindustan Housing Factory Limited.	Min. of W.H. & S. letters No.Ent.2(46)/59 and 23-5-61 as amended in letter No. 2/46/59 Ent., dated 25-5-62.	Guarantee given by the Govt. of India to enable the Factory to operate cash credit account with the State Bank of India to the extent of Rs. 10 Lakhs.	1/25 above State Bank of India advance rate rising and falling therewith with a minimum of 5½ % with monthly rests.	10,00	10,00		
93	Kanwar Raj Nath purchaser of an evacuee concern known as Ambernath Mills at Bombay.	(1) Rehabilitation Committee of the cabinet as per their directive given on 29-11-58. (2) Guarantee executed on 21-4-60.	The entire loan of Rs. 7,00,000 granted to Kanwar Raj Nath by the Bombay State Financial Corporation for running the Mills has been guaranteed in the shape of second mortgage on the property.	6½% per annum.	7,00	3,23	Mortgage of the Ahmed Silk Mills situated on the property bearing Non-agricultural Survey No. 2 of Kohaj Kuntavli Development Scheme 15, Ambernath, Bombay.	
			DELHI ADMINISTRATION					
94	Punjab Financial Corporation.	(i) Agreement dated 14-10-57 to enable the Punjab Govt. to extend its jurisdiction to serve the needs of the Union Territory of Delhi. (*ii*) Agreement	Guarantee liability of the President for (i) the repayment of share capital of the Corporation and for the payment of annual dividend at the maximum rate	3%	41,18	41,18		41,655 shares of the Punjab Financial Corporation are held by the Punjab Govt., Delhi Admn. and H.P. Admn. in the ratio of 10:5:2 respectively.

1	2	3	4	5	6	7	8	9	10
			dated 19-5-62 entered into between the Punjab State Govt., Delhi Admn. and Himachal Pradesh Admn. to enable the S.F.C. to extend its jurisdiction to Himachal Pradesh.	of 3% will be in the proportion of 10:5:2 between Punjab Govt., the Union Territory of Delhi and Himachal Pradesh Admn.					
				(ii) the bonds issued by the Corporation for (*a*) Rs. 1·10 crores in 1958 carrying interest at 4¾%, (*b*) Rs. 55 Lakhs in 1961 carrying interest rate at 4½% p.a. and (*c*) Rs. 55,00,000 in 1962 carrying interest rate at 4¾% p.a. in the ratio of 2:1 as between the Punjab Govt. and the Delhi Administration.	4¾% in the case of Bonds issued in 1958, 4½% in the case of Bonds issued in 1961. and 4¾% in the case of Bonds issued in 1962.	73,33	73,33	No	
				(*iii*) the Bonds issued by the Corporation for	4¾%	20,59	20,59		

			Rs. 50 lakhs in 10/62 carrying interest rate at 4¾ % p.a. in the ratio of 10:5:2 as amongst Punjab Govt., Delhi Admn. and H. P. Admn.					
			TRIPURA ADMINISTRATION					
95	Assam Financial Corporation.	Agreement between Assam Govt. and Tripura Administration dated the 15th March 1960 to enable the Assam Financial Corporation to extend its jurisdiction to serve the needs of the Union Territory of Tripura as well.	Guarantee by the Central Govt. on behalf of the Tripura Admn. of (i) the paid-up capital of the Assam Financial Corporation Rs. 1 crore both as regards repayment of principal and payment of annual dividend at the minimum rate of 3½ % p. a. in ratio of 2:1 as between Assam Govt. & the Tripura Admn.	3½%	33,33	33,33	No.	The Tripura Administration holds 17,225 shares of Rs. 100 each fully paid-up.
			(ii) the Bonds issued by the Corporation for (a) Rs. 55 lakhs in 1959 carrying interest at 4¼% p.a. & (b) Rs.	4¼% p.a. in the case of Bonds issued in 1959 and 4½% p.a. in the case of Bonds issued in 1961.	53,33	53,33	No.	

1	2	3	4	5	6	7	8	9	10
				50 lakhs in 1961 carrying interest at 4½% p.a. (kc) Rs. 55 lahs in 1961 carrying interest at 4¾ % p.a. in the ratio of 2:1 as between the Assam Govt. and the Tripura Administration.					

ANNEXURE XIX

Statement showing the contributions to International bodies

(In thousands of rupees)

Name of Organisation	Nature and purpose of contribution	Actuals, 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
MINISTRY OF COMMERCE AND INDUSTRY					
1. International Customs Tariff Bureau.	Annual Contribution	28	29	29	28
2. International Cotton Advisory Committee, Washington.	Do. . .	19	19	23	23
3. General Agreement on Tariff and Trade.	Contribution to working expenses of the contracting parties.	79	79	84	88
4. International Tin Council.	Annual Contribution	15	10	16	16
5. International Study Group for Copper, Lead and Zinc.	Do. . .	7	7	7	7
6. International Organisation of Legal Meteorology.	Do. . .	9	9	9	9
7. Asian Productivity Council.	Do . .	..	1,95	1,81	2,24
	TOTAL .	1,57	3,48	3,49	3,95
MINISTRY OF EDUCATION					
8. U.N.E.S.C.O. . .	Annual Contribution	6,16	10,00	10,00	10,00
9. Royal Asiatic Society .	Do. . .	3	3	3	..
10. UNESCO Research Centre on social implications of industrialisation in South Asia.	Do. . .	1,67	1,67	1,67	1,67
11. International Bureau of Education.	Do. . .	11	11	11	..
12. Commonwealth Education Liaison Unit.	Do. . .	33	..	..	35
	TOTAL . .	8,30	11,81	11,81	12,02
MINISTRY OF EXTERNAL AFFAIRS					
13. Commonwealth Economic Committee.	Annual Contribution	1,67	1,88	1,88	1,99
14. International Bureau of Permanent Court of Arbitration.	Do. . .	5	6	6	6
15. United Nations Organisation.	Do. . .	55,22	69,60	65,00	65,00
Do. . . .	Contribution in respect of U.N.E.F.	89,11	12,00	15,00	15,00
Do. . . .	Contribution in respect of Congo.	58,02	69,6[illegible]	69,62	60,0[illegible]

(In thousands of rupees)

Name of Organisation	Nature and purpose of contribution	Actuals, 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
	MINISTRY OF EXTERNAL AFFAIRS—*contd.*				
16. Asian African Legal Consultative Committee.	Annual Contribution	20	17	16	16
17. United Nations Relief and Works Agency.	Contribution towards relief programme of Palestine Refugees.		1,00	3,04	1,00
	TOTAL .	2,04,27	1,54,33	1,54,76	1,43,21
	MINISTRY OF FINANCE				
18. United Nations Expanded Programme.	Annual Contribution	35,71	39,05	79,52	40,48
19. United Nations Technical Assistance Board.	Contributions towards expenses of the Resident Representative.	1,01	1,08	1,25	1,20
20. U.N. Special Projects Fund.	Annual Contribution	83,33	97,86	2,00,24	1,02,38
	TOTAL . .	1,20,05	1,37,99	2,81,01	1,44,06
	MINISTRY OF FOOD AND AGRICULTURE				
21. Commonwealth Agricultural Bureau.	Annual Contribution	1,49	2,60	2,60	2,60
22. Food and Agricultural Organisation of the United Nations.	Do. . .	14,19	21,00	18,93	18,57
23. International Wheat Council.	Do. . .	14	14	8	8
24. International Dairy Federation.	Annual Membership Fee.	6	6	6	6
25. United Nations International Children's Emergency Fund.	Contribution towards general resources.	14,00	14,00	14,00	14,00
26. Food and Agricultural Organisation.	Contribution for Desert Locust Control.	1,41	1,41	1,41	1,41
Do. . . .	Contribution towards rent of building .	9	25	19	19
27. Contribution to World Food Programme.		..	..	7,00	8,87
28. International office of Epizooties.		..	..	7	8
29. International Seed Test Association.		..	..	3	1
30. International Sugar Council.		..	..	11	11
31. International Association of Cereal Chemistry.		..	..	2	2
	TOTAL .	31,38	39,46	44,50	46,00
	MINISTRY OF HEALTH				
32. World Health Organisation.	Annual Contribution	25,24	26,93	26,93	27,00
Do. . . .	Contribution towards Malaria Eradication Special Account.	1,00	..	..	..
33. Union International Centre, Le Cancer, Paris.	Annual Contribution	2	3	3	3
34. London School of Hygiene and Tropical Medicine.	Do. . .	2	1	1	1

(In thousands of rupees)

Name of Organisation	Nature and purpose of contribution	Actuals, 1961-62	Budget 1962-63	Revised 1962-63	Budget 1963-64
35. Internationa Committee of the Red Cross.	Annual Contribution	75	75	75	75
36. Leage Red Cross Societies, Geneva.	Do. . .	75	75	75	75
37. United Nations International Children's Emergency Fund.	Do.	16,00	16,00	16,00	16,00
38. International Union against the venereal diseases and the Triponematoses.	Do. . .	1	1	1	1
	TOTAL .	43,79	44,48	44,48	44,55
MINISTRY OF HOME AFFAIRS					
39. International Criminal Police Commission.	Annual Contribution	15	15	27	27
MINISTRY OF IRRIGATION AND POWER					
40. World Power Conference.	Contribution .	1	1	1	1
41. International Commission on Large Dams.	Do. . .	3	3	3	3
42. International Commission on Irrigation and Drainage.	Do. . .	3	1,83	1,85	3
43. Permanent International Association of Navigation Congress.	Do. . .	..	1	1	1
44. British Electrical and Allied Industries Research Association.	Do. . .	2	2	2	2
	TOTAL .	9	1,90	1,92	10
MINISTRY OF LABOUR AND EMPLOYMENT					
5. International Labour Organisation.	Annual Contribution	15,28	16,20	16,20	20,26
MINISTRY OF MINES AND FUEL					
46. International Geological Map of the World Commission.	Contribution .	1	1	1	1
	TOTAL .	1	1	1	1
MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS					
47. International Copyright Union for the Protection of Literary and Artistic Works, Berne.	Annual Contribution	7	7	7	.
48. International Scientific Union.	Do. . .	93	1,57	1,58	1,74
49. Commonwealth Committee on Geology and Mineral Resources.	Do. . .	11	10	10	10
50. Commonwealth Education Liaison Unit.	Contribution .	..	33	35	..

(In thousands of Rupees)

Name of Organisation	Nature and purpose of contribution	Actuals, 1961-62	Budget, 1962-63	Revised, 1962-63	Budget, 1963-64
MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS—*concld.*					
51. International Association for the exchange of students for technical experience.	Contribution . .	1	1	3	3
52. International Centre for study of preservation and restoration of cultural property.	Do. . .	19	16	..	16
	TOTAL .	1,31	2,24	2,13	2,14
MINISTRY OF TRANSPORT AND COMMUNICATIONS					
53. International Union of Official Travel Organisations, Geneva.	Annual Contribution .	5	5	10	8
54. Pacific Area Travel Association.	Do. . . .	29	30	30	30
55. South Asian and Travel Commission.	Do. . . .	..	1	2	1
56. International Civil Aviation Organisation.	Do. . . .	4,40	4,98	5,06	5,09
57. International Telecommunications Union, Geneva.	Contribution towards ordinary expenses for participating in Conferences and for cost of Publications.	5,70	6,70	6,55	6,70
58. International Meteorological Organisation.	Annual Contribution .	86	90	1,12	90
59. Commonwealth Shipping Committee.	Do. . . .	2	2	2	2
60. Institute of Navigation, London.	Contribution .	1	1	1	1
61. Inter-Governmental Maritime Consultative Organisation.	Contribution . .	35	32	32	32
62. International Association of Lighthouse Authorities.	Membership fee. .	2	2	2	2
	TOTAL .	11,70	13,31	13,52	13,45
DEPARTMENT OF ATOMIC ENERGY					
International Atomic Energy Agency.	Contribution . .	8,09	8,30	7,57	9,19
4. Subscription to the International Mathematical Union.	Annual Subscription .	1	1	2	2
65. Committee on Space Research.	Do.	..	..	5	5
	TOTAL .	8,10	8,31	7,64	9,26
LOK SABHA					
. Inter-Parliamentary Union and Commonwealth Parliamentary Association.	Annual Contribution .		42	42	42
	GRAND TOTAL .	4,46,00	4,34,09	5,82,16	4,39,70

ANNEXURE XX

Tax payable as percentage of total income and deduction admissible from additional surcharge

The Statements in Part I below show the tax (income-tax, super-tax and surcharges including the additional surcharge) payable by individuals in different categories (unmarried, married, married with one child and with more than one child) at various levels of total income, separately for income consisting of salaries, income other than salaries and wholly unearned income.

As provided in the Compulsory Deposit Scheme Bill, 1963 income-tax payers liable to pay additional surcharges under the Finance Bill, 1963 who make compulsory deposits will be entitled to a deduction in the additional surcharge recovered from them of either an amount equal to the deposit made by them or a sum calculated at 3 per cent. on the first Rs. 6,000 of their residual income and 2 per cent. on the balance of the residual income, whichever is lower. The Statements in Part II below show the maximum amount of deduction from additional surcharge admissible to assessees making a deposit under the Compulsory Deposit Scheme Bill.

PART I

TAX PAYABLE AS PERCENTAGE OF TOTAL INCOME

A. ***Statement showing in selected cases tax payable and as a percentage of income on income ranging from Rs. 3,000 to Rs. 20,000***

1. INCOME OTHER THAN SALARIES

MARRIED PERSONS

Income	Wholly earned income		Wholly unearned income	
	Amount of Tax	Percentage	Amount of Tax	Percentage
Rs.	Rs.		Rs.	
3,000	..	..	..	..
3,200	134·30	4·2	135·20	4·2
3,600	161·90	4·5	164·60	4·6
4,200	203·80	4·9	209·20	5·0
4,800	246·70	5·2	253·80	5·3
5,000	260·00	5·2	269·00	5·4
6,000	370·50	6·2	390·00	6·5
7,200	522·70	7·2	552·00	7·6
8,400	704·00	8·4	750·00	8·9
9,600	895·00	9·3	958·00	10·0
10,000	958·00	9·6	1027·00	10·3
12,000	1315·00	10·9	1418·00	11·8
13,200	1550·00	11·8	1676·00	12·7
14,400	1800·00	12·5	1951·00	13·5
15,000	1925·00	12·8	2088·00	13·9
16,800	2392·00	14·2	2602·00	15·5
18,000	2735·00	15·2	2980·00	16·5
20,000	3339·00	16·7	3647·00	18·2

MARRIED WITH ONE CHILD

Income	Wholly earned income		Wholly unearned income	
	Amount of Tax	Percentage	Amount of Tax	Percentage
Rs.	Rs.		Rs.	
3,000	..	..	..	..
3,200	..	..	..	..
3,600	153·45	4·3	154·80	4·3
4,200	195·35	4·6	198·40	4·7
4,800	237·25	5·0	244·00	5·1
5,000	251·55	5·0	258·20	5·1
6,000	362·05	6·0	379·20	6·3
7,200	514·25	7·1	543·00	7·5
8,400	696·00	8·3	740·00	8·8
9,600	887·00	9·2	947·00	9·8
10,000	950·00	9·5	1017·00	10·2
12,000	1307·00	10·9	1407·00	11·7
13,200	1542·00	11·7	1666·00	12·6
14,400	1791·00	12·4	1941·00	13·4
15,000	1915·00	12·8	2078·00	13·8
16,800	2383·00	14·1	2592·00	15·4
18,000	2725·00	15·1	2969·00	16·5
20,000	3330·00	16·7	3637·00	18·1

MARRIED WITH MORE THAN ONE CHILD

3,000	..	..	..	..
3,200	..	..	..	..
3,600	..	..	..	.
4,200	185·90	4·4	188·60	4·5
4,800	227·80	4·8	233·20	4·9
5,000	242·10	4·8	248·40	4·9
6,000	352·60	5·8	368·40	6·1
7,200	504·80	7·0	533·20	7·4
8,400	686·00	8·1	730·00	8·7
9,600	877·00	9·1	937·00	9·7
10,000	940·00	9·4	1006·00	10·1
12,000	1297·00	10·8	1397·00	11·6
13,200	1533·00	11·6	1655·00	12·5
14,400	1782·00	12·4	1930·00	13·4
15,000	1907·00	12·7	2068·00	13·7
16,800	2375·00	14·1	2582·00	15·3
18,000	2717·00	15·0	2959·00	16·4
20,000	3322·00	16·6	3627·00	18·1

UNMARRIED

Income	Wholly earned income		Wholly unearned income	
	Amount of Tax	Percentage	Amount of Tax	Percentage
Rs.	Rs.		Rs.	
3,000	..	..	..	..
3,200	194·30	6·1	204·20	6·4
3,600	221·90	6·2	233·60	6·5
4,200	264·80	6·3	278·20	6·6
4,800	306·70	6·4	322·80	6·7
5,000	321·00	6·4	338·00	6·8
6,000	431·50	7·2	459·00	7·7
7,200	582·70	8·1	620·80	8·6
8,400	763·00	9·1	818·00	9·7
9,600	954·00	9·9	1205·00	10·7
10,000	1017·00	10·2	1095·00	10·9
12,000	1374·00	11·5	1485·00	12·3
13,200	1610·00	12·2	1743·00	13·2
14,400	1859·00	12·9	2018·00	14·0
15,000	1984·00	13·2	2156·00	14·4
16,800	2450·00	14·6	2670·00	15·9
18,000	2793·00	15·5	3046·00	16·9
20,000	3397·00	17·0	3713·00	18·6

2. INCOME ONLY FROM SALARIES

	MARRIED PERSONS		MARRIED WITH ONE CHILD	
	Amount of Tax	Percentage	Amount of Tax	Percentage
	Rs.		Rs.	
3,000	..	..	..	..
3,200	134·15	4·2	..	..
3,600	161·45	4·5	152·22	4·2
4,200	202·90	4·9	194·67	4·6
4,800	245·35	5·1	236·12	5·0
5,000	258·50	5·1	250·27	5·0
6,000	367·25	6·1	359·00	6·0
7,200	517·35	7·1	509·12	7·0
8,400	697·00	8·3	688·00	8·2
9,600	884·00	9·2	876·00	9·1
10,000	947·00	9·4	939·00	9·4
12,000	1298·00	10·8	1290·00	10·7
13,200	1529·00	11·6	1521·00	11·5
14,400	1774·00	12·3	1766·00	12·2
14,400	1774·00	12·6	1889·00	12·6
16,800	2357·00	14·0	2349·00	14·0
18,000	2693·00	15·0	2685·00	14·9
20,000	3287·00	16·4	3279·00	16·4

Income	MARRIED WITH MORE THAN ONE CHILD		UNMARRIED	
	Amount of Tax	Percentage	Amount of Tax	Percentage
Rs.	Rs.		Rs.	
3,000	..	..	..	..
3,200	..	..	192·65	6·0
3,600	..	..	220·95	6·1
4,200	185·45	4·4	262·40	6·2
4,800	226·90	4·7	303·85	6·3
5,000	241·05	4·8	318·00	6·4
6,000	349·80	5·8	426·75	7·1
7,200	500·90	7·0	575·85	8·0
8,400	680·00	8·0	755·00	9·0
9,600	867·00	9·0	943·00	9·8
10,000	930·00	9·3	1005·00	10·1
12,000	1281·00	10·6	1356·00	11·3
13,200	1512·00	11·5	1587·00	12·0
14,400	1757·00	12·2	1832·00	12·7
15,000	1881·00	12·5	1955·00	13·0
16,800	2341·00	14·0	2413·00	14·3
18,000	2677·00	14·9	2750·00	15·3
20,000	3270·00	16·4	3343·00	16·7

B. *Statement showing in selected cases tax payable and as a percentage of incomes exceeding Rs. 20,000 and upto Rs. 30,00,000*

ALL CLASSES OF INDIVIDUALS

WHOLLY EARNED INCOME OTHER THAN SALARIES

Income Rs.	Amount of Tax Rs.	Percentage
24,000	4,992	20·8
25,000	5,390	21·6
30,000	7,868	26·2
36,000	11,072	30·8
40,000	13,224	33·0
42,000	14,493	34·5
45,000	16,397	36·4
48,000	18,301	38·1
55,000	23,126	42·0
60,000	26,682	44·4
66,000	31,235	47·3
70,000	34,270	48·9
72,000	34,835	49·7
84,000	45,228	53·9
85,000	46,012	54·1
90,000	49,938	55·5
96,000	54,648	56·9
1,00,000	57,789	57·7
1,50,000	1,00,308	66·8
2,00,000	1,42,826	71·4
2,50,000	1,85,345	74·1
3,00.000	2,27,864	75·9
3,50,000	2,70,383	77·3
4,00,000	3,12,901	78·2
5,00,000	3,97,939	79·6
10,00,000	8,23,126	82·3
20,00,000	16,73,501	83·6
30,00,000	25,23,876	84·1

INCOME FROM SALARIES ONLY

Income Rs.	Amount of Tax Rs.	Percentage
(1)		
24,000	4,909	20·4
25,000	5,300	21·2
30,000	7,728	25·7
36,000	10,867	30·2
40,000	12,979	32·5
42,000	14,222	33·8
45,000	16,087	35·8
48,000	17,952	37·4
55,000	22,677	41·2
60,000	26,159	43·6
66,000	30,616	46·4
70,000	33,588	47·9
72,000	35,120	48·7
84,000	44,324	52·7
85,000	45,093	53·1
90,000	48,937	54·4
96,000	53,549	55·7
1,00,000	56,625	56·6
1,50,000	98,328	65·5
2,00,000	1,40,031	70·0
2,50,000	1,81,735	72·6
3,00,000	2,23,438	74·5
3,50,000	2,65,149	75·7
4,00,000	3,06,843	76·7
5,00,000	3,90,250	78·0
10,00,000	8,07,281	80·7
20,00,000	16,41,343	82·0
30,00,000	24,75,406	82·4

WHOLLY UNEARNED INCOME

Income Rs.	Amount of Tax Rs.	Percentage
24,000	5,491	22.9
25,000	5,935	23·7
30,000	8,709	29·0
36,000	12,302	34·2
40,000	14,698	36·8
42,000	16,123	38·4
45,000	18,262	40·6
48,000	20,397	42·5
55,000	25,821	47·0
60,000	29,820	49·7
66,000	34,947	52·9
70,000	38,364	54·8
72,000	40,128	55·7
84,000	50,708	60·8
85,000	51,590	60·7
90,000	55,998	62·2
96,000	61,288	63·8
1,00,000	64,815	64·8
1,50,000	1,08,924	72·6
2,00,000	1,53,075	76·5
2,50,000	1,97,225	78·9
3,00,000	2,41,375	80·5
3,50,000	2,85,525	81·6
4,00,000	3,29,675	82.4
5,00,000	4,17,975	83·6
10,00,000	8,59,475	85·9
20,00,000	17,42,475	87·1
30,00,000	26,25,475	87.5

PART II

Deduction admissible from additional surcharge.

A: *Statement showing in selected cases the maximum deduction from additional surcharge admissible to assessees making deposits under the Compulsory Deposit Scheme Bill,* 1963 *on incomes from Rs.* 3,000 *to Rs.* 20,000.

I. INCOME OTHER THAN SALARIES

Income	Wholly Earned Income (Other than Salaries)				Wholly Unearned Income			
	Married Persons	Married with One Child	Married with more than One Child	Un-married	Married Persons	Married with One Child	Married with more than One Child	Un-marrie
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
3,000	..	..	..	..	..	..	..	..
3,200	96	..	..	94	96	..	..	94
3,600	107	108	..	106	107	108	..	105
4,200	125	125	125	123	125	125	125	123
4,800	142	143	143	140	142	142	143	140
5,000	148	148	149	146	148	148	148	146
6,000	176	176	176	174	175	176	176	173
7,200	200	200	200	198	199	199	199	197
8,400	221	221	222	220	220	220	221	219
9,600	243	243	243	241	241	242	242	240
10,000	250	250	250	249	248	249	249	247
12,000	285	285	285	284	283	283	283	281
13,200	305	306	306	304	303	303	303	301
14,400	326	326	326	324	322	323	323	321
15,000	336	336	336	334	332	332	333	331
16,800	364	364	364	363	360	360	360	358
18,000	383	383	383	381	377	378	378	376
20,000	413	413	413	412	406	407	407	405

II : INCOME FROM SALARIES ONLY

Income Rs.	Married Persons Rs.	Married with One Child Rs.	Married with more than One Child Rs.	Unmarried Rs
3,000	..	..	..	..
3,200	96	..	..	..
3,600	107	108	..	106
4,200	125	125	102	123
4,800	142	143	143	140
5,000	148	188	148	146
6,000	176	176	177	174
7,200	200	200	200	198
84,00	221	221	222	220
9,600	243	243	243	242
10,000	250	250	250	249
12,000	285	285	285	284
13,200	306	306	306	305
14,400	326	326	326	325
15,000	336	336	337	335
16,800	365	365	365	364
18,000	384	384	384	382
20,009	414	414	415	413

B. Statement showing in selected cases the maximum deduction from additional surcharge admissible to assessees making deposits under the Compulsory Deposit Scheme Bill, 1963 on incomes exceeding Rs. 20,000 and upto Rs. 30,00,000.

Income	Wholly earned income other than Salaries	Income from Salaries only	Wholly unearned income
Rs.	Rs.	Rs.	Rs.
24,000	464	466	453
25,000	477	479	465
30,000	532	535	514
36,000	593	597	566
40,000	633	639	601
42,000	649	655	614
45,000	673	680	633
48,000	698	705	651
55,000	745	755	686
60,000	777	789	708
66,000	809	823	727
70,000	830	845	740
72,000	840	855	745
84,000	897	917	777
85,000	902	922	779
90,000	926	948	792
96,000	954	979	808
1,00,000	973	999	818
1,50,000	1,140	1,184	948
2,00,000	1,306	1,368	1,078
2,50,000	1,472	1,552	1,208
3,00,000	1,638	1,737	1,338
3,50,000	1,805	1,921	1,468
4,00,000	1,971	2,105	1,598
5,00,000	2,303	2,474	1,858
10,00,000	3,966	4,318	3,158
20,00,000	7,291	8,005	5,758
30,00,000	10,616	11,693	8,358

ANNEXURE

SUMMARY OF

(In crores of rupees)

Receipts	Accounts, 1956-57	Accounts, 1957-58	Accounts, 1958-59	Accounts, 1959-60	Accounts, 1960-61	Accounts, 1961-62	Revised, 1962-63	Budget, 1963-64
1. Revenue Surplus	89·40	42·05	..	42·55	51·25	124·85	..	..
2. Rupee Loans raised	157·74	136·17	501·91	378·97	246·34	256·02	341·87	400·00
3. Special floasing Loons issued	..	..	..	71·43	3·45	3·45	3·45	3·45
4. Net sales from Cash Balance Investment Accounts	..	·05	·08	·97	·97	·21	..	..
5. Other Loans	10·84	32·47	197·25	186·98	264·71	314·33	376·50	462·43
6. Small Savings (Net)	59·01	69·45	78·21	82·87	103·76	87·83	85·00	105·00
7. Repayment of Loans by—								
(a) States	34·60	61·40	61·93	80·85	95·48	133·91	170·99	194·87
(b) Others	7·49	13·28	20·78	24·08	30·50	66·92	42·42	53·62
Railway Funds—								
(a) Deepreciation Reserve	47·68	49·38	48·40	47·96	46·64	67·73	69·16	82·3
(b) Revenue Reserve	1·53	1·70	1·09	1·90	1·87	1·90	2·02	2·15
(c) Development	20·64	13·64	19·10	35·13	36·07	25·24	23·56	31·50
9. Treasury Bills (Net)	240·45	459·43	—69·80	72·28	—191·31	68·69	190·00	181·00
10. Investment of Deposits of U.S. Govt. Counterpart Funds (Net)	..	..	..	..	240·41	54·13	60·00	90·00
11. Other debt heads (Net)	65·63	51·83	71·83	83·32	154·35	136·05	308·31	336·29
12. Opening Balance .	—4·65	50·96	52·11	34·87	69·67	45·22	49·40	50·62
TOTAL .	730·36	981·81	982·89	1144·16	1154·16	1386·48	1722·68	1993·32

XXI
WAYS AND MEANS

(In crores of rupees)

Disbursements	Accounts, 1956-57	Accounts, 1957-58	Accounts, 1958-59	Accounts, 1959-60	Accounts, 1960-61	Accounts, 1961-62	Revised, 1962-63	Budget, 1963-64
1. Revenue Deficit. .	..	..	5·25	..	..	..	22·06	16·22
2. Capital Expenditure—								
(a) Defence	19·70	22·93	27·88	36·11	33·39	22·95	52·75	158·72
(b) Railways	107·38	151·90	125·82	74·69	89·48	144·90	203·00	218·50
(c) Others	147·43	256·73	248·16	246·71	282·63	268·48	417·10	510·15
3. Loans by Central Government to—								
(a) States.	198·32	275·98	293·90	275·47	328·18	443·47	500·21	529·14
(b) Others	56·90	58·33	106·27	217·73	158·30	144·74	131·87	167·84
4. Discharge of debt. .	83·23	74·68	31·96	129·88	128·62	203·23	230·46	234·70
5. Net purchase in Cash Balance investment Account	2·89	..	..	..	..	..	21·64	13·93
. Drawal from Railway funds—								
(a) Depreciation Reserve	43·76	63·62	80·72	68·36	64·04	58·24	70·00	68·00
(b) Revenue Reserve.	..	..	..	..	..	..	..	..
(c) Development .	19·85	25·53	28·06	25·54	24·30	51·07	22·97	26·00
7. Closing balance .	50·90	52·11	34·87	69·67	45·22	49·40	50·62	50·12
TOTAL .	730·36	981·81	982·89	1144·16	1154·16	1386·48	1722·68	1993·32

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